

Regular Meeting
Monday, June 1, 2026 6:00 PM

Council Chambers
City of Mendota Heights
1101 Victoria Curve
Mendota Heights, MN 55118

Agenda

1. Listening Session - 5:00 p.m.
2. Call Meeting to Order and Recite Pledge of Allegiance - 6:00 p.m.
Presenter: Sarah Larsen, School Board Chair
3. Approval of the Agenda
Presenter: Sarah Larsen, School Board Chair
4. Approval of the Consent Agenda
Presenter: Sarah Larsen, School Board Chair
 - 4.A. Approval of Minutes of the May 18, 2026 School Board Meeting
 - 4.B. Approval of Personnel Recommendations
 - 4.C. Approval of May 2026 Wire Transfers Report
 - 4.D. Administrative Review of Policy 417, Chemical Use and Abuse
 - 4.E. Administrative Review of Policy 533, Wellness
 - 4.F. Approval of ISD 197 FY28 Long Term Facilities Maintenance (LTFM) Plan
 - 4.G. Approval of ISD 917 FY28 Long Term Facilities Maintenance (LTFM) Budget
5. Listening Session Report - 6:05 p.m.
6. Recognitions - 6:10 p.m.
Presenter: Peter Olson-Skog, Superintendent
7. Superintendent's Report - 6:40 p.m.
Presenter: Peter Olson-Skog, Superintendent
8. Presentation of LiveGreen Update - 6:50 p.m.
Presenter: Mark Fortman, Director of Operations; Meghan Bernard, Sustainability Coordinator
9. Presentation of Triennial Review on Wellness Policy - 7:05 p.m.
Presenter: Meghan Bernard, Sustainability Manager; Mark Fortman, Director of Operations; Sabrina Kintz, Child Nutrition Supervisor
10. Presentation of TriDistrict Community Education Advisory Council Update - 7:20 p.m.
Presenter: Lisa Grathen, Director of Community Education
11. Presentation of Fiscal Year 2026-2027 Proposed Budgets - 7:35 p.m.
Presenter: Brian Schultz, Director of Finance
12. Authorization of Capital Project Levy: Review and Comment - 7:55 p.m.
Presenter: Peter Olson-Skog, Superintendent
13. Adjournment - 8:25 p.m.
Presenter: Sarah Larsen, School Board Chair

School District 197
West St. Paul-Mendota Heights-Eagan Area Schools
Regular Meeting
Monday, May 18, 2026
ISD 197 District Office, Mendota Heights, MN

A meeting of the School Board of Independent School District 197 was held on Monday, May 18, 2026 beginning at 5:00 p.m. pursuant to due notice.

The meeting was called to order by current Chair Larsen at 5:00 p.m. The following School Board members were present: Tim Aune, Marcus Hill, Sarah Larsen, Byron Schwab, Morgan Steele, Jon Vaupel, Randi Walz. Superintendent Peter Olson-Skog was present. Student representative Rhys Walsh was present. Student representative Evangeline Fuentes was absent.

Also present for the meeting were: Cari Jo Drewitz, Director of Curriculum, Instruction, and Assessment; Sara Lein, Director of Special Programs; Sara Blair, Director of Communications; Tye Michaels, Director of Human Resources; Brian Schultz, Director of Finance; Mark Fortman, Director of Operations; Lisa Grathen, Director of Community Education; Dave Sandum, Director of Technology.

Agenda

It was moved by Mr. Hill and seconded by Mr. Aune to approve the agenda as presented.

*Aye: Tim Aune, Marcus Hill, Sarah Larsen, Byron Schwab, Morgan Steele, Jon Vaupel, Randi Walz
Nay: none*

The motion carried unanimously.

Consent Agenda

It was moved by Ms. Steele and seconded by Mr. Vaupel to approve the consent agenda items as presented:

- Approval of the May 6, 2026 School Board Meeting Minutes
- Approval of Personnel Recommendations
- Approval of April 2026 Wire Transfers Report

*Aye: Tim Aune, Marcus Hill, Sarah Larsen, Byron Schwab, Morgan Steele, Jon Vaupel, Randi Walz
Nay: none*

The motion carried unanimously.

Comments to the School Board

There were no comments to the School Board.

Presentation of Leatherman Survey Results

Peter Leatherman presented results of the 2026 Residential Survey conducted by The Morris Leatherman Company, which gathered feedback from 500 randomly selected District 197 households regarding district performance, communication, and future planning priorities. The presentation highlighted generally positive perceptions of the district and identified strong community support for the quality of education, student opportunities, and district leadership. Survey results also reflected ongoing community interest in financial stewardship, school safety, and maintaining programs and services for students. Administration noted that the feedback will help inform future district planning, communication efforts, and budget discussions.

Approval of FY26 Revised Budget

Brian Schultz, Director of Finance, presented proposed revisions to the Fiscal Year 2025-2026 budget for the General and Construction Funds during the School Board meeting on May 4. During that meeting, additional context was provided, and questions from the board were answered. No additional questions were asked during this meeting.

It was moved by Ms. Steele and seconded by Mr. Aune to approve the FY26 Revised Budget as presented.

*Aye: Tim Aune, Marcus Hill, Sarah Larsen, Byron Schwab, Morgan Steele, Jon Vaupel, Randi Walz
Nay: none*

The motion carried unanimously.

Approval of Agreement between School District 197 and Non-Affiliated Employees

Tye Michaels, Director of Human Resources, presented the 2025-2027 agreement covering approximately 45 Non-Affiliated employees across the district. The agreement includes salary schedule increases of 2 percent in the first year and 1 percent in the second year, along with updates to health insurance coverage, prescription rates, and retirement savings contributions. Additional changes include an increase to the TSA contribution and an increase in the performance incentive cap for employees with 10 or more years of district service. The administration noted that other minor language revisions were also included in the agreement.

It was moved by Ms. Steele and seconded by Mr. Schwab to approve the Agreement between School District 197 and Non-Affiliated Employees as presented.

*Aye: Tim Aune, Marcus Hill, Sarah Larsen, Byron Schwab, Morgan Steele, Jon Vaupel, Randi Walz
Nay: none*

The motion carried unanimously.

Presentation of the 2025-2026 Student, Family, Staff, and SEL Survey Results

Superintendent Olson-Skog presented an update summarizing results from the district's 2025-2026 student, family, staff, and social-emotional learning surveys. Survey results highlighted strong positive perceptions across the district, particularly in the areas of caring relationships, student support, belonging, and school climate, with families, students, and staff consistently identifying relationships as a defining strength of District 197. The presentation also identified areas for continued growth, including improving consistency in student support, increasing engagement and relevance in learning experiences, strengthening feedback practices for staff, and supporting staff in meeting individual student needs. Administrators noted that the survey results will help guide district and school improvement priorities moving forward, with an emphasis on ensuring all students consistently experience the strongest aspects of the district's programs and supports.

Approval of Superintendent End-of-Year Report on Goals/Implementation Target Attainment

Superintendent Olson-Skog presented an end-of-year update on the 2025-2026 goals, which focused on implementation of the district's strategic framework priorities, long-term fiscal stability, and staff engagement. The report noted that 58 of 62 implementation objectives connected to social-emotional learning, equitable systems and support, and career exploration and preparation were completed or completed for the current phase of work, with a small number intentionally carried over due to scheduling, staffing capacity, or alignment with other district initiatives. The Superintendent also reported progress toward improving the district's financial position through cost-containment measures, budget planning, community engagement, and legislative advocacy, with projected growth in the district's fund balance from approximately 2 percent to 4 percent. In addition, the Superintendent completed 139 one-on-one staff interviews during the school year as part of a long-term staff engagement initiative intended to strengthen communication, trust, and organizational responsiveness across the district.

It was moved by Mr. Schwab and seconded by Ms. Steele to approve the Superintendent End-of-Year Report on Goals/Implementation Target Attainment as presented.

*Aye: Tim Aune, Marcus Hill, Sarah Larsen, Byron Schwab, Morgan Steele, Jon Vaupel, Randi Walz
Nay: none*

The motion carried unanimously.

Adjournment

It was moved by Mr. Schwab and seconded by Ms. Steele to adjourn the meeting at 6:43 p.m.

*Aye: Tim Aune, Marcus Hill, Sarah Larsen, Byron Schwab, Morgan Steele, Jon Vaupel, Randi Walz
Nay: none*

The motion carried unanimously.

The next regularly scheduled School Board meeting of Independent School District 197 will be Monday, June 1, 2026 at 6:00 p.m. It will be held at the City of Mendota Heights Council Chambers, 1101 Victoria Curve, Mendota Heights, MN. *Please refer to the district website for possible changes to any meeting times/locations.*

Upon approval by the School Board, official minutes will be available at the District Office, 1897 Delaware Avenue, Mendota Heights, and on the district website. The full meeting materials are available for public inspection at the administrative offices of the school district and on the district website.

Sarah Larsen
School Board Chair

Jon Vaupel
School Board Clerk

TO: School Board Members

FROM: Tye Michaels, Director of Human Resources

DATE: June 1, 2026

SUBJECT: Personnel Recommendations

The following personnel items are recommended for approval at the School Board Meeting on June 1, 2026.

Non-Licensed Employment

- Landy, Matea - 2.5 hours Support Para at an hourly rate of \$16.89, effective May 26, 2026.

Non-Licensed Resignation, Retirements, Terminations

- Bloom, Julia - Kitchen Assistant at Heritage Middle School, resignation effective June 4, 2026
- Clay, Latrica - Districtwide Bus Driver, termination effective May 20, 2026
- Edwards, Annabelle - Behavioral Specialist at Moreland Elementary School, resignation effective June 9, 2026
- Garibay, Jose - Buildings and Grounds worker at Pilot Knob Elementary, resignation effective June 19, 2026
- Kleman, Joan - Cook Manager at Heritage Middle School, retirement effective May 1, 2026
- Pirela Diaz, Mary - Districtwide Interpreter Community Liaison, resignation effective June 9, 2026
- Salem, Mary Jane - Districtwide Bus Driver, retirement effective June 4, 2026
- Swanson, Ariana - Building and Grounds worker at Friendly Hills Middle School, resignation effective April 10, 2026
- Terrazas Ramirez, Kalina - Support Paraprofessional at Early Learning Center, resignation effective May 21, 2026
- Troolin, William - Tech Pro at Two Rivers High School, resignation effective June 5, 2026

Licensed Resignation, Retirements, Terminations

- Mogelson, Megan - Gifted and Talented/Intervention teacher, resignation effective April 1, 2026
- Nilan, Joey - Nurse at Non-Public, retirement effective June 9, 2026
- O'Leary, Stacie - Districtwide Nurse, retirement effective June 9, 2026.
- O'Neil, Kaitlyn - 2nd Grade Teacher, resignation effective June 9, 2026

ISD 197 WEST ST. PAUL SCHOOLS
Wire Transfers
5/1/26 thru 5/31/26

<u>Date</u>	<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Reason</u>
5/8/26	MSDLAF - General	MSDLAF - Payroll	1,545,569.18	A/P - P/R*
5/8/26	MSDLAF _ - Payroll	State of MN	87,827.62	Payroll taxes
5/8/26	MSDLAF - Payroll	IRS	521,049.79	Payroll taxes
5/8/26	MSDLAF - Payroll	PERA	96,389.73	Pension
5/8/26	MSDLAF - Payroll	TRA	304,879.76	TRA contrib.
5/8/26	MSDLAF - Payroll	EBC	116,642.33	403B
5/8/26	MSDLAF - Payroll	Health Equity	16,090.75	Flex
5/22/26	MSDLAF - General	MSDLAF - Payroll	1,562,026.51	A/P - P/R*
5/22/26	MSDLAF _ - Payroll	State of MN	88,316.79	Payroll taxes
5/22/26	MSDLAF - Payroll	IRS	526,573.13	Payroll taxes
5/22/26	MSDLAF - Payroll	PERA	101,721.59	Pension
5/22/26	MSDLAF - Payroll	TRA	303,825.68	TRA contrib.
5/22/26	MSDLAF - Payroll	EBC	120,603.04	403B
5/22/26	MSDLAF - Payroll	Health Equity	16,117.42	Flex
		Total	<u>5,407,633.32</u>	

* To cover accounts payable or payroll checks.



TO: School Board Members

FROM: Tye Michaels, Director of Human Resources
Sara Lein, Director of Special Services

DATE: June 1, 2026

SUBJECT: Administrative Review of Policy 417, Chemical Use and Abuse

BACKGROUND

A review of Policy 417, Chemical Use and Abuse, has been completed. This policy was last reviewed in June of 2023. The language continues to match that of the MSBA model policy, where the only changes have been a minor language change and an update to the policy name referenced in the Cross Reference list. There have been no changes to the policy from the administration in that time.

School District 197 reviews its policies on a 3-year cycle unless otherwise required by law. Typically, recommended policy changes are brought to the school board for three readings, with approval at the third reading. However, when the administration is recommending minor or no changes to the policy, it is labeled as an "administrative review." Consistent changes the board has asked to be applied to policies are considered minor. One example is using more inclusive language such as using "parent/guardian" instead of just "parent."

When labeled an "administrative review," the policy is placed on the consent agenda for a single reading with a recommendation to approve the policy as presented. As a reminder, board members always have the opportunity to remove a policy from the consent agenda to discuss it as part of the main agenda.

This policy was also reviewed using the district's Four-Way Equity Test. This policy advances equity by prioritizing prevention, culturally responsive education, and supportive interventions, informed by community feedback calling for accessible, non-punitive approaches for historically underserved students. It promotes equitable access and reduces barriers across protected groups while improving the overall quality and consistency of student support services.

RECOMMENDED RESOLUTION

BE IT RESOLVED by the School Board of Independent School District No. 197 to approve Policy 417, Chemical Use and Abuse, as presented.



OPERATIONAL EXPECTATIONS

ISD 197 School Board

Employment & Personnel Contact: Director of Human Resources/Director of Special Services

417 CHEMICAL USE AND ABUSE

I. PURPOSE

The school board recognizes that chemical use and abuse constitutes a grave threat to the physical and mental well-being of students and employees and significantly impedes the learning process. Chemical use and abuse also creates significant problems for society in general. The school board believes that the public school has a role in education, intervention, and prevention of chemical use and abuse. The purpose of this policy is to assist the school district in its goal to prevent chemical use and abuse by providing procedures for education and intervention.

II. GENERAL STATEMENT OF POLICY

- A. Use or possession of controlled substances, medical cannabis, toxic substances, and alcohol before, during or after school hours, at school or in any other school location, is prohibited in the school setting in accordance with school district policies with respect to a Drug-Free Workplace/Drug-Free School.
- B. The school district shall develop, implement, and evaluate comprehensive programs and activities that foster safe, healthy, supportive, and drug-free environments that support student academic achievement.
- C. Every school that participates in a school district chemical abuse program shall establish a chemical abuse preassessment team. The team is responsible for addressing reports of chemical abuse problems and making recommendations for appropriate responses to the individual reported cases.
- D. The school district shall establish a drug-free awareness program for its employees.

III. DEFINITIONS

- A. “Chemical abuse”, as applied to students, means use of any psychoactive or mood-altering chemical substance, without compelling medical reason, in a manner that induces mental, emotional, or physical impairment and causes socially dysfunctional or socially disordering behavior, to the extent that the minor’s normal function in academic, school, or social activities is chronically impaired.
- B. “Controlled substances,” as applied to the chemical abuse assessment of students, means a drug, substance, or immediate precursor in Schedules I through V of Minnesota Statutes section 152.02 and “marijuana” as defined in Minnesota Statutes section 152.01, subdivision 9 but not distilled spirits, wine, malt beverages, intoxicating liquors or tobacco. As otherwise defined in this policy, “controlled substances” include narcotic drugs, hallucinogenic drugs, amphetamines, barbiturates, marijuana, anabolic steroids, or any other controlled substance as defined in Schedules I through V of the Controlled Substances Act, 21 United States Code section 812, including analogues and look-alike drugs.
- C. “Drug prevention” means prevention, early intervention, rehabilitation referral, recovery support services, or education related to the illegal use of drugs, such as raising awareness about the consequences of drug use that are evidence based.
- D. “Teacher” means all persons employed in a public school or education district or by a service cooperative as members of the instructional, supervisory, and support staff including superintendents, principals, supervisors, secondary vocational and other classroom teachers, librarians, counselors, school psychologists, school nurses, school social workers, audio-visual directors and coordinators, recreation personnel, media generalists, media supervisors, and speech therapists.

IV. STUDENTS

- A. Districtwide School Discipline Policy

Procedures for detecting and addressing chemical abuse problems of a student while on school premises are included in the districtwide school student discipline policy.

- B. Programs and Activities

- 1. The school district shall develop, implement, and evaluate comprehensive programs and activities that foster safe, healthy, supportive, and drug-free

environments that support student academic achievements. The programs and activities may include, among other programs and activities, drug prevention activities and programs that may be evidence based, including programs to educate students against the use of alcohol, tobacco, marijuana, smokeless tobacco products, and electronic cigarettes.

C. Reports of Use, Possession, or Transfer of Alcohol or a Controlled Substance

1. A teacher in a nonpublic school participating in a school district chemical use program, or a public school teacher who knows or has a reason to believe that a student is using, possessing, or transferring alcohol or a controlled substance while on the school premises or involved in school-related activities, shall immediately notify the school's chemical abuse preassessment team or staff member assigned duties similar to those of such a team of this information.
2. Students involved in the abuse, possession, transfer, distribution or sale of chemicals may be suspended and proposed for expulsion in compliance with the student discipline policy and the Pupil Fair Dismissal Act, Minn. Stat. §121A.40-121A.56, ~~and proposed for expulsion.~~
3. Searches by school district officials in connection with the possession, or transfer of alcohol or a controlled substance will be conducted in accordance with school board policies related to search and seizure.
4. Nothing in paragraph IV.B.1. prevents a teacher or any other school employee from reporting to a law enforcement agency any violation of law occurring on school premises or at school sponsored events.

D. Preassessment Team

1. Every school that participates in a school district chemical abuse program shall establish a chemical abuse preassessment team designated by the superintendent or designee. The team must be composed of classroom teachers, administrators, and, to the extent they exist in the school, school nurse, school counselor or psychologist, social worker, chemical abuse specialist and other appropriate professional staff. For schools that do not have a chemical abuse program and team, the superintendent or designee will assign these duties to a designated school district employee.

2. The team is responsible for addressing reports of chemical abuse problems and making recommendations for appropriate responses to the individual reported cases.
3. Within forty-five (45) days after receiving an individual reported case, the team shall make a determination whether to provide the student and, in the case of a minor, the student's parents or legal guardian with information about school and community services in connection with chemical abuse.

E. Data Practices

1. Student data may be disclosed without consent in health and safety emergencies pursuant to Minn. Stat. § 13.32 and applicable federal law and regulations.
2. Destruction of Records
 - a. If the preassessment team decides not to provide a student and, in the case of a minor, the student's parents or legal guardian with information about school or community services in connection with chemical abuse, records created or maintained by the team about the student shall be destroyed not later than six (6) months after the determination is made.
 - b. If the team decides to provide the student and, in the case of a minor or a dependent student, the student's parents or legal guardian with information about school or community services in connection with chemical abuse, records created or maintained by the team about the student shall be destroyed not later than six (6) months after the student is no longer enrolled in the district.
 - c. Destruction of records identifying individual students shall be governed by paragraph IV.E.2 notwithstanding provisions of the Records Management Act, Minn. Stat. § 138.163 Preservation and Disposal of Public Records).

F. Consent

Any minor may give effective consent for medical, mental and other health services to determine the presence of or to treat conditions associated with alcohol and other drug abuse, and the consent of no other person is required.

V. EMPLOYEES

- A. The school district shall establish a drug-free awareness program to inform employees about:
1. The dangers of drug abuse in the workplace.
 2. The school district's policy of maintaining a drug-free workplace.
 3. Available drug counseling, rehabilitation, and employee assistance programs.
 4. The penalties that may be imposed on employees for drug abuse violations.
- B. The school district shall notify a federal granting agency required to be notified under the Drug-Free Workplace Act within ten (10) days after receiving notice from the employee or otherwise receiving actual notice of any criminal drug statutes.

Legal References:

Minn. Stat. § 13.32 (Educational Data)
Minn. Stat. § 121A.25-121A.29 (Chemical Abuse)
Minn. Stat. § 121A.40-121A.56 (Pupil Fair Dismissal Act)
Minn. Stat. § 121A.61 (Discipline and Removal of Students from Class)
Minn. Stat. § 124D.695 (Approved Recovery Program Funding)
Minn. Stat. § 126C.44 (Safe Schools Levy)
Minn. Stat. § 138.163 (Preservation and Disposal of Public Records)
Minn. Stat. § 144.343 (Pregnancy, Venereal Disease, Alcohol or Drug Abuse, Abortion)
Minn. Stat. § 152.01 (Definitions)
Minn. Stat. § 152.02 (Schedules of Controlled Substances; Administration of Chapter)
Minn. Stat. § 152.22 (Definitions; Medical Cannabis)
Minn. Stat. § 152.23 (Limitations; Medical Cannabis)
Minn. Stat. § 299A.33 (DARE Program)
Minn. Stat. § 466.07, subd. 1 (Indemnification Required)
Minn. Stat. § 609.101, subd. 3(e) (Controlled Substance Offenses; Minimum Fines)
20 U.S.C. § 1232g (Family Educational Rights and Privacy Act)

20 U.S.C. §§ 7101-7122 (Student Support and Academic Enrichment Grants)
20 U.S.C. § 5812 (National Education Goals)
20 U.S.C. § 7175 (Local Activities)
41 U.S.C. §§ 8101-8106 (Drug-Free Workplace Act)
34 C.F.R. Part 84 (Government-Wide Requirements for Drug-Free Workplace)

Cross References:

MSBA/MASA Model Policy 403 (Discipline, Suspension, and Dismissal of School District Employees)
MSBA/MASA Model Policy 416 (Drug, ~~and~~ Alcohol, **and Cannabis** Testing)
MSBA/MASA Model Policy 418 (Drug-Free Workplace/Drug Free School)
MSBA/MASA Model Policy 506 (Student Discipline)
MSBA/MASA Model Policy 502 (Search of Student Lockers, Desks, Personal Possessions, and Student's Person)
MSBA/MASA Model Policy 515 (Protection and Privacy of Pupil Records)

POLICY ADOPTED:	October 16, 2006
POLICY REVIEWED/REVISED:	November 2, 2009; June 17, 2019; June 13, 2023
Monitoring Method:	Administrative Review
Monitoring Frequency:	Annually



TO: School Board Members

FROM: Mark Fortman, Director of Operations

DATE: June 1, 2026

SUBJECT: Administrative Review of Policy 533, Wellness

BACKGROUND

An administrative review of Policy 533, Wellness, has been performed. This policy was last reviewed in June of 2023 and requires a separate triennial review. The district has done that review with the assistance of Dakota County personnel who specialize in that assessment. The results of that review will be shared in a presentation to the School Board. The policy was reviewed against MSBA's model policy and continues to match that language. Based on a review of the policy, no changes are recommended except for the addition of the term "guardians" in multiple locations.

School District 197 reviews its policies on a 3-year cycle unless otherwise required by law. Typically, recommended policy changes are brought to the school board for three readings, with approval at the third reading. However, when the administration is recommending minor or no changes to the policy, it is labeled as an "administrative review." Consistent changes the board has asked to be applied to policies are considered minor. One example is using more inclusive language such as using "parent/guardian" instead of just "parent."

When labeled an "administrative review," the policy is placed on the consent agenda for a single reading with a recommendation to approve the policy as presented. As a reminder, board members always have the opportunity to remove a policy from the consent agenda to discuss it as part of the main agenda.

The policy was reviewed using the 4-way equity test. This policy does not provide specific opportunities for the underserved, underrepresented or disadvantaged, but rather provides for the wellness of all students and staff.

RECOMMENDED RESOLUTION

BE IT RESOLVED by the School Board of Independent School District 197 to approve Policy 533, Wellness, as presented.



OPERATIONAL EXPECTATIONS

ISD 197 School Board

Students

Contact: Director of Operations

533 WELLNESS

I. PURPOSE

The purpose of this policy is to set forth methods that promote student wellness, prevent and reduce childhood obesity, and assure that school meals and other food and beverages sold and otherwise made available on the school campus during the school day are consistent with applicable minimum local, state, and federal standards.

II. GENERAL STATEMENT OF POLICY

- A. The school board recognizes that nutrition promotion and education, physical activity, and other school-based activities that promote student wellness are essential components of the educational process and that good health fosters student attendance and education.
- B. The school environment should promote and protect students' health, well-being, and ability to learn by encouraging healthy eating and physical activity.
- C. The school district encourages the involvement of parents/guardians, students, representatives of the school food authority, teachers, school health professionals, the school board, school administrators, and the general public in the development, implementation, and periodic review and update of the school district's wellness policy.
- D. Children need access to healthy foods and opportunities to be physically active in order to grow, learn, and thrive.
- E. All students in grades PreK-12 will have opportunities, support, and encouragement to be physically active on a regular basis.
- F. Qualified food service personnel will provide students with access to a variety of affordable, nutritious, and appealing foods that meet the health and nutrition needs

of students; try to accommodate the religious, ethnic, and cultural diversity of the student body in meal planning; and will provide clean, safe, and pleasant settings and adequate time for students to eat.

III. WELLNESS GOALS

A. Nutrition Promotion and Education

1. The school district will encourage and support healthy eating by students and engage in nutrition promotion that is:
 - a. offered as part of a comprehensive program designed to provide students with the knowledge and skills necessary to promote and protect their health;
 - b. part of health education classes, as well as classroom instruction in subjects such as math, science, language arts, social sciences, and elective subjects, where appropriate; and
 - c. enjoyable, developmentally appropriate, culturally relevant, and includes participatory activities, such as contests, promotions, taste testing, and field trips.
2. The school district will encourage all students to make age appropriate, healthy selections of foods and beverages, including those sold individually outside the reimbursable school meal programs, such as through a la carte/snack lines, vending machines, fundraising events, concession stands, and student stores.

B. Physical Activity

1. Students need opportunities for physical activity and to fully embrace regular physical activity as a personal behavior. Toward that end, health and physical education will reinforce the knowledge and self-management skills needed to maintain a healthy lifestyle and reduce sedentary activities, such as watching television;
2. Teachers are encouraged to incorporate physical activity into other subject lessons, where appropriate; and

3. Teachers are encouraged to provide short physical activity breaks between lessons or classes, as appropriate.

C. Communications with Parents/Guardians

1. The school district recognizes that parents and guardians have a primary role in promoting their children's health and well-being.
2. The school district will support parents'/guardians' efforts to provide a healthy diet and daily physical activity for their children.
3. The school district encourages parents/guardians to pack healthy lunches and snacks and refrain from including beverages and foods without nutritional value.
4. The school district will provide information about physical education and other school-based physical activity opportunities and will support parents'/guardians' efforts to provide their children with opportunities to be physically active outside of school.

IV. STANDARDS AND NUTRITION GUIDELINES

A. School Meals

1. The school district will provide healthy and safe school meal programs that comply with all applicable federal, state, and local laws, rules, and regulations.
2. Food service personnel will provide students with access to a variety of affordable, nutritious, and appealing foods that meet the health and nutrition needs of students.
3. Food service personnel will try to accommodate the religious, ethnic, and cultural diversity of the student body in meal planning.
4. Food service personnel will provide clean, safe, and pleasant settings.
5. Food service personnel will take every measure to ensure that student access to foods and beverages meets or exceeds all applicable federal, state, and local laws, rules, and regulations and that reimbursable school meals meet USDA nutrition standards.

6. Food service personnel shall adhere to all applicable federal, state, and local food safety and security guidelines.
7. The school district will make every effort to eliminate any social stigma attached to, and prevent the overt identification of, students who are eligible for free and reduced-price school meals.
8. The school district will provide students access to hand washing or hand sanitizing before they eat meals or snacks.
9. The school district will make every effort to provide students with sufficient time to eat after sitting down for school meals, and schedule meal periods at appropriate times during the school day.
10. The school district will discourage tutoring, club, or organizational meetings or activities during mealtimes, unless students may eat during such activities.

B. School Food Service Program/Personnel

1. The school district shall designate an appropriate person to be responsible for the school district's food service program, whose duties shall include the creation of nutrition guidelines and procedures for the selection of foods and beverages made available on campus to ensure food and beverage choices are consistent with current USDA Guidelines.
2. As part of the school district's responsibility to operate a food service program, the school district will provide continuing professional development for all food service personnel in schools.

C. Competitive Foods and Beverages

1. All foods and beverages sold on school grounds to students, outside of reimbursable meals, are considered "competitive foods." Competitive foods include items sold a la carte in the cafeteria, from vending machines, school stores, and for in-school fundraisers.
2. All competitive foods will meet the USDA Smart Snacks in School (Smart Snacks) nutrition standards and any applicable state nutrition standards, at a minimum. Smart Snacks aim to improve student health and well-being, increase consumption of healthful foods during the school day, and create an environment that reinforces the development of healthy eating habits.

3. Before and Aftercare (child care) programs are encouraged to comply with the school district's nutrition standards unless they are reimbursable under USDA school meals program, in which case they must comply with all applicable USDA standards.

D. Other Foods and Beverages Made Available to Students

1. Student wellness will be a consideration for all foods offered, but not sold, to students on the school campus, including those foods provided through:
 - a. Celebrations and parties. The school district will provide a list of healthy party ideas to parents/guardians and teachers, including non-food celebration ideas.
 - b. Classroom snacks brought by parents/guardians. The school district will provide to parents/guardians a list of suggested foods and beverages that meet Smart Snacks nutrition standards.
 - c. Rewards and incentives. Schools will be encouraged to not use foods or beverages as rewards for academic performance or good behavior (unless this practice is allowed by a student's individual education plan or behavior intervention plan) and will not withhold food or beverages as punishment.

V. **WELLNESS LEADERSHIP AND COMMUNITY INVOLVEMENT**

A. Wellness Coordinator

1. The superintendent will designate a school district official to oversee the school district's wellness-related activities (Wellness Coordinator). The Wellness Coordinator will ensure awareness of the policy.

B. Public Involvement

1. The Wellness Coordinator will permit parents/guardians, students, representatives of the school food authority, teachers of physical education, school health professionals, the school board, school administrators, and the general public to participate in the development, implementation, and periodic review and update of the wellness policy.

2. The Wellness Coordinator will hold meetings, from time to time, for the purpose of discussing the development, implementation, and periodic review and update of the wellness policy. All meeting dates and times will be posted on the school district's website and will be open to the public.

VI. POLICY IMPLEMENTATION AND MONITORING

A. Implementation and Publication

1. After approval by the school board, the wellness policy will be implemented throughout the school district.
2. The school district will post its wellness policy on its website, to the extent it maintains a website.

B. Annual Reporting

The Wellness Coordinator will annually inform the public about the content and implementation of the wellness policy and make the policy and any updates to the policy available to the public.

C. Triennial Assessment

1. At least once every three years, the school district will evaluate compliance with the wellness policy to assess the implementation of the policy and create a report that includes the following information:
 - a. the extent to which schools under the jurisdiction of the school district are in compliance with the wellness policy;
 - b. the extent to which the school district's wellness policy compares to model local wellness policies; and
 - c. a description of the progress made in attaining the goals of the school district's wellness policy.
2. The Wellness Coordinator will be responsible for conducting the triennial assessment.
3. The triennial assessment report shall be posted on the school district's website or otherwise made available to the public.

D. Recordkeeping

The school district will retain records to document compliance with the requirements of the wellness policy.

Legal References: Minn. Stat. § 121A.215 (Local School District Wellness Policy)
42 U.S.C. § 1751 *et seq.* (Healthy and Hunger-Free Kids Act)
42 U.S.C. § 1758b (Local School Wellness Policy)
42 U.S.C. § 1771 *et seq.* (Child Nutrition Act of 1966)
7 U.S.C. § 5341 (Establishment of Dietary Guidelines)
7 C.F.R. § 210.10 (School Lunch Program Regulations)
7 C.F.R. § 220.8 (School Breakfast Program Regulations)

Local Resources: Minnesota Department of Education, www.education.state.mn.us
Minnesota Department of Health, www.health.state.mn.us
County Health Departments
Action for Healthy Kids Minnesota, www.actionforhealthykids.org
United States Department of Agriculture, www.fns.usda.gov

POLICY ADOPTED: August 21, 2006
POLICY REVIEWED/REVISED: November 2, 2009; September 19, 2012; June 19, 2017; June 15, 2020; June 5, 2023
Monitoring Method: Administrative Review
Monitoring Frequency: Every three years



TO: School Board Members

FROM: Brian Schultz, Director of Finance & Mark Fortman, Director of Operations

DATE: June 1, 2026

SUBJECT: Approval of District 197 FY28 Long-Term Facilities Maintenance Ten-Year Plan

BACKGROUND:

As part of the Long-Term Facilities Maintenance program, each district needs to have several items approved by the board to receive funding. The items needing approval are our fiscal year 2028 ten-year revenue and expenditure plans, which are included in the board packet. The district also agrees to a Statement of Assurances that certifies it will follow the program requirements and guidelines.

This program's funding is based on an allowance of \$380 per adjusted pupil unit and generates approximately \$2.13 million in initial revenue. Approximately \$909,000 of this is allocated to the debt service fund to pay off our Facility Maintenance Bond that was issued in 2022. Funding for this program is part of the district's local property tax levy.

Revenue generated for this program can be used for various deferred maintenance projects (restoring district facilities to like-new condition) and health and safety projects throughout the district. However, there are restrictions on revenue use, such as that it cannot be used to change the use or functionality of the building or space, add additional space, or for security or violence prevention.

District administration is recommending to maximize this funding source to address deferred maintenance projects throughout the District.

RECOMMENDED RESOLUTION:

BE IT RESOLVED that the School Board of Independent School District No. 197, State of Minnesota, adopt the ISD 197 FY 2028 Long-Term Facilities Maintenance Ten-Year Plan.

The motion for the adoption of the foregoing resolution was duly seconded by School Board Member _____ and, upon vote being thereon, the following voted in favor of the motion:

And the following voted against:

WHEREUPON the resolution was declared duly passed and adopted the 1st day of June 2026.

SCHOOL BOARD CLERK

FY 28 Long-Term Facilities Maintenance (LTFM) Ten-Year Revenue Projection				Revised 6/10/2025														
197	<= Type in School District Number																	
	WEST ST. PAUL-MENDOTA HTS.-EAGAN																	
			Change only if requiring levy adjustments	Payable 2025 LLC Certification	Current Estimate													
<i>Calculations for Ten Year Projection</i>				Pay 26														
		LLC #	FY 2025	FY 2026	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035				
1	Type your district number in cell A2 (Minneapolis = 1.2)																	
2	Type APU, health and safety and alternative facilities project, and bond estimates in lines 6a, 14, 16b to 18, 20, 21, 26, 27 and 50b																	
3	Type debt excess, intermediate/coop district, and revenue reduction data in lines 13, 15, 23, 31, and 33																	
4	Look-up data from following tabs																	
5	Initial Formula Revenue																	
6	Current year APU	57	5,736.02	5,773.60	5,754.99	5,610.00	5,610.00	5,610.00	5,610.00	5,610.00	5,610.00	5,610.00	5,610.00	5,610.00				
6a	Additional Pre-K Pupil Units (line 19 of Pre-K application)																	
6b	Total Adjusted Pupil Units = (6) + (6a)			5,773.60	5,754.99	5,610.00	5,610.00	5,610.00	5,610.00	5,610.00	5,610.00	5,610.00	5,610.00	5,610.00				
7	District average building age (uncapped)	401	47.43	47.44	48.44	49.44	50.44	51.44	52.44	53.44	54.44	55.44	56.44					
8	Formula allowance		\$ 380.00	\$ 380.00	\$ 380.00	\$ 380.00	\$ 380.00	\$ 380.00	\$ 380.00	\$ 380.00	\$ 380.00	\$ 380.00	\$ 380.00					
9	Building age ratio = (Lesser of 1 or (7) / 35)	402		1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000					
10	Initial revenue = (6) * (8) * (9)	403	2,179,688	2,193,968	2,186,895	2,131,800	2,131,800	2,131,800	2,131,800	2,131,800	2,131,800	2,131,800	2,131,800					
11	Added revenue for Eligible H&S Projects > \$100,000 / site																	
12	Debt service for existing Alt facilities H&S bonds (1B) - gross before debt excess	701																
13	Debt Excess related to Debt service for existing Alt facilities H&S bonds (1B)	754																
14	Debt service for portion of existing Alt facilities bonds from line (22) attributable to eligible H&S Projects > \$100,000 per site (1A)	700																
15	Debt Excess related to Debt service for portion of existing Alt facilities bonds attributable to eligible H&S Projects > \$100,000 per site (1A)	753																
16a	Existing Net debt service for LTFM bonds for eligible new H&S projects > \$100,000 / site = (principal + interest)*1.05 - portion of bond paid by initial revenue from "IAQFAA Bonds" tab				1,126,091	1,426,373	1,395,398	1,453,410	1,454,198	1,452,885	1,454,723	1,454,198	1,451,310	1,456,560				
16b	New debt service for LTFM bonds for eligible new H&S projects > \$100,000 / site = (principal + interest)*1.05 - portion of bond paid by initial revenue																	
16r	New debt service for LTFM bonds for eligible new roofing projects > \$100,000 / site				beginning FY27													
17	Net debt service for LTFM bonds for eligible new H&S projects > \$100,000 / site = (principal + interest)*1.05 - portion of bond paid by initial revenue = (16a) + (16b) + (16r)				1,126,091	1,426,373	1,395,398	1,453,410	1,454,198	1,452,885	1,454,723	1,454,198	1,451,310	1,456,560				
18	Pay as you go revenue for eligible new H&S projects > \$100,000 / site (corresponds to Category 2 on the Expenditures spreadsheet)	405																
18r	Pay as you go revenue for eligible new roofing projects > \$100,000 / site (corresponds to Category 6 on the Expenditures spreadsheet)				beginning FY27													
19	Total additional revenue for eligible projects > \$100,000 / site (12) - (13) + (14) - (15) + (16a) + (16b) + (16r) + (18) + (18r)	406	1,126,091	1,126,091	1,426,373	1,395,398	1,453,410	1,454,198	1,452,885	1,454,723	1,454,198	1,451,310	1,456,560					
	Added revenue for Pre-K remodeling (for VPK approvals only)																	
20a	Net debt service for bonds approved for Pre-K remodeling	766																
20b	Pay as you go for projects approved for Pre-K remodeling	407																
20c	Total Pre-K revenue																	
20d	Total New Law Revenue (10) + (19) + (20c)	408			3,320,059	3,613,268	3,527,198	3,585,210	3,585,998	3,584,685	3,586,523	3,585,998	3,583,110	3,588,360				

FY 28 Long-Term Facilities Maintenance (LTFM) Ten-Year Revenue Projection				Revised 6/10/2025												
197 <= Type in School District Number																
WEST ST. PAUL-MENDOTA HTS.-EAGAN																
Change only if requiring levy adjustments				Payable 2025 LLC Certification	Current Estimate											
Calculations for Ten Year Projection				Pay 26 LLC #	FY 2025	FY 2026	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035
Old Formula revenue																
21	Old formula Health & Safety revenue (these should match the pay as you go amounts entered into the Health & Safety Data Submission System through FY 2027) (corresponds to Category 1 on the Expenditures spreadsheet)	409	605,212	605,212	620,343	635,850	651,747	664,782	678,076	694,649	705,471	710,581	737,078			
22	Old formula alt facilities debt revenue (1A) - gross before debt excess	700		-	-	-	-	-	-	-	-	-	-	-	-	-
23	Debt Excess allocated to line 22			-	-	-	-	-	-	-	-	-	-	-	-	-
24	Old formula alt facilities debt revenue (1A) - debt excess	763		-	-	-	-	-	-	-	-	-	-	-	-	-
25	Old formula alt facilities net debt revenue (1B) = (12) - (13)	764		-	-	-	-	-	-	-	-	-	-	-	-	-
26	Old formula alt facilities pay as you go revenue (1A)	410		-	-	-	-	-	-	-	-	-	-	-	-	-
26b	Pay-as-you-go revenue for projects over \$100,000 per site	411		-	-	-	-	-	-	-	-	-	-	-	-	-
27	Old formula alt facilities pay as you go revenue (1B) > \$500,000 (these should match the pay as you go amounts entered into the Health & Safety Data Submission System through FY 2027)	413		-	-	-	-	-	-	-	-	-	-	-	-	-
27a	LTFM ">100K per site" bonds	765		1,126,091	1,426,373	1,395,398	1,453,410	1,454,198	1,452,885	1,454,723	1,454,198	1,451,310	1,456,560			
27b	LTFM "other" bonds for 1A hold harmless	767		-	-	-	-	-	-	-	-	-	-	-	-	-
28	Old formula deferred maintenance revenue = ((22) + (26) = 0, (10) * (\$64 / formula allowance))	416		369,510	368,319	359,040	359,040	359,040	359,040	359,040	359,040	359,040	359,040			
29	Total old formula revenue = (21)+(24)+(25)+(26b)+(27)+(27a)+(27b)+(28)	417	2,098,409	2,100,814	2,415,035	2,390,288	2,464,197	2,478,020	2,490,001	2,508,412	2,518,709	2,520,931	2,552,678			
30	Total LTFM Revenue for Individual District Projects = Greater of (20d) or ((29) + (20c))	418	3,305,779	3,320,059	3,613,268	3,527,198	3,585,210	3,585,998	3,584,685	3,586,523	3,585,998	3,583,110	3,588,360			
31	District Requested Reduction from Maximum LTFM Revenue (to levy less than the maximum). Also enter this amount in the Levy Information System. Stated as positive number	419	-	-	-	-	-	-	-	-	-	-	-			
32	District LTFM Revenue (30) - (31)	420	3,305,779	3,320,059	3,613,268	3,527,198	3,585,210	3,585,998	3,584,685	3,586,523	3,585,998	3,583,110	3,588,360			
33	LTFM Revenue for District Share of Eligible Cooperative / Intermediate Projects (Unequalized)	421	30,967	30,967	50,694	83,391	75,349	81,643	43,333	9,376	96,010	4,126	43,524			
34	Grand Total LTFM Revenue (32) + (33)	422	3,336,746	3,351,026	3,663,962	3,610,589	3,660,559	3,667,641	3,628,018	3,595,899	3,682,008	3,587,236	3,631,884			
Aid and Levy Shares of Total Revenue																
35	For ANTC & APU, three year prior date		2023	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032			
36	Three year prior Ag Modified ANTC	35	124,417,084	124,417,084	120,008,470	124,808,809	129,801,161	134,993,208	140,392,936	146,008,654	151,849,000	157,922,960	164,239,878			
37	Three year prior Adjusted PU (New Weights)	54	5,491.99	5,492.01	5,702.27	5,714.34	5,745.16	5,754.99	5,754.99	5,754.99	5,754.99	5,754.99	5,754.99			
38	ANTC / APU = (36) / (37)	424	22,654.28	22,654.18	21,045.74	21,841.35	22,593.12	23,456.73	24,395.00	25,370.80	26,385.63	27,441.06	28,538.70			
39	State average ANTC / APU with ag value adjustment	425	13,579.10	13,579.10	13,765.66	14,420.42	15,209.99	15,818.00	16,451.00	17,109.00	17,793.00	18,505.00	19,245.00			
40	Equalizing Factor = 123% of (39)	426	16,702.29	16,702.29	17,275.90	18,313.93	19,316.69	20,088.86	20,892.77	21,728.43	22,597.11	23,501.35	24,441.15			
41	Local (levy) share of Equalized Revenue (lesser of 1 or (38) / (40))	427	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%			
42	State (aid) share of Equalized Revenue (1 - (41))	428	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
43	Equalized Revenue (lesser of (34) or (6) * (8))	423	2,179,688	2,193,968	2,186,895	2,131,800	2,131,800	2,131,800	2,131,800	2,131,800	2,131,800	2,131,800	2,131,800			
44	Initial LTFM State Aid (42) * (43)	429	-	-	-	-	-	-	-	-	-	-	-			
45	Old formula Grandfathered Alternative Facilities Aid	431	-	-	-	-	-	-	-	-	-	-	-			
46	Total LTFM State Aid (Greater of (44) or (45))	432	-	-	-	-	-	-	-	-	-	-	-			
47	Total LTFM Levy (34) - (46) (including coop/intermediate)	435	3,336,746	3,351,026	3,663,962	3,610,589	3,660,559	3,667,641	3,628,018	3,595,899	3,682,008	3,587,236	3,631,884			
Debt Service Portion of Revenue (non-grandfather districts *)																
49	Subtotal Debt Service Revenue from above = (12) - (13) + (17) + (20a) + (24)	763+764+765+766		1,126,091	1,426,373	1,395,398	1,453,410	1,454,198	1,452,885	1,454,723	1,454,198	1,451,310	1,456,560			
50	Existing LTFM bonds excluding bonds on line 17 (principal + interest)*1.05 from "FM Other Bonds" tab	767		889,793	909,563	909,353	908,093	911,033	907,463	908,093	907,778	912,398	911,348			
50b	New LTFM bonds excluding bonds on line 17 (principal + interest)*1.05			-	-	-	-	-	-	-	-	-	-			
51	Total Debt Service Revenue = (49) + (50) + (50b)	768		2,015,885	2,335,935	2,304,750	2,361,503	2,365,230	2,360,348	2,362,815	2,361,975	2,363,708	2,367,908			



TO: School Board Members

FROM: Brian Schultz, Director of Finance

DATE: June 1, 2026

SUBJECT: Approval of Intermediate District 917 FY28 Long-Term Facilities Maintenance (LTFM) Budget

BACKGROUND

As a member district, School District 197 is required to approve the long-term facilities maintenance program budget for Intermediate District 917. Each member district approves its proportionate share of the projects in 917's long-term facilities maintenance revenue application.

District 197's proportionate share is \$83,391.47. This amount will be included on our property tax levy and then paid to 917 after collection from the county.

RECOMMENDED RESOLUTION

A motion and second is needed on the presented resolution.

EXTRACT OF MINUTES OF MEETING
OF SCHOOL BOARD OF
INDEPENDENT SCHOOL DISTRICT #197
(West St. Paul/Mendota Heights/Eagan)
STATE OF MINNESOTA

Pursuant to due call and notice thereof, a School Board meeting of Independent School District #197, State of Minnesota, was held on _____, 2026 at _____ m., for the purpose, in part, of approving the Intermediate School District No. 917's Long-Term Facility Maintenance budget and authorizing the inclusion of a proportionate share of Intermediate School District's long-term facility maintenance projects in the district's application for long-term facility maintenance.

Member _____ introduced the following resolution and moved its adoption:

**RESOLUTION APPROVING INTERMEDIATE SCHOOL DISTRICT
NO. 917'S LONG-TERM FACILITY MAINTENANCE PROGRAM
BUDGET AND AUTHORIZING THE INCLUSION OF A
PROPORTIONATE SHARE OF THOSE PROJECTS IN THE DISTRICT'S
APPLICATION FOR LONG-TERM FACILITY MAINTENANCE
REVENUE**

BE IT RESOLVED by the School Board of Independent School District #197, State of Minnesota, as follows:

1. The School Board of Intermediate School District 917 has approved a long-term facility maintenance program budget for its facilities for the 2027-2028 school year in the amount of \$689,973.00 of which our District #197's proportionate share is \$83,391.47. The various components of this program budget are attached as Exhibit A here to and are incorporated herein by reference. Said budget is hereby approved. (Exhibit A.)
2. Minnesota Statutes, Section 123B.57, Subdivision 1, as amended, provides that if an intermediate school district's long-term facility maintenance budget is approved by the school boards of each of the intermediate school district's member school districts, each member district may include its proportionate share of the costs of the intermediate school district program in its long-term facility maintenance revenue application.
3. The proportionate share of the costs of the intermediate school district's long-term facility maintenance program for each member school district to be included in its application shall be determined by multiplying the total cost of the intermediate school district long-term facility maintenance program times a formula that weights two components equally between

the member districts; total net tax capacity and Adjusted pupil units. The long-term facility maintenance costs shall be funded through annual levy instead of issuing bonds. The inclusion of this proportionate share in the district's long-term facility maintenance revenue application for fiscal year 2028 is hereby approved, subject to approval by the Commissioner of Education.

4. Upon receipt of the proportionate share of long-term facility maintenance revenue attributable to the intermediate school district program, the district shall promptly pay to the intermediate school district the applicable aid or levy proceeds.

The motion for the adoption of the foregoing resolution was duly seconded by Member _____ and, upon vote being taken thereon, the following voted in favor thereof:

And the following voted against the same:

Whereupon said resolution was declared duly passed and adopted.

STATE OF MINNESOTA

COUNTY OF DAKOTA

I, the undersigned, being the duly qualified and acting Clerk of Independent School District #197, State of Minnesota, hereby certify that I have carefully compared the attached and foregoing extract of minutes of a meeting of Independent School District #197, held on the date therein indicated, with the original of said minutes on file in my office, and the same is a full, true and complete transcript insofar as the same relates to the approval of Intermediate School District No. 917's long-term facility maintenance program budget and authorizing the inclusion of a proportionate share of the Intermediate School District's long-term facility maintenance projects in the district's application for long-term facility maintenance revenue.

WITNESS MY HAND officially as such Clerk this _____ day of _____, 2026.

Clerk
Independent School District #197

Project #	Object Code	Description	FY28	FY27 Expenditures	FY26 Current Estimate	FY26 Revised Expenditures
Environmental Health & Safety - Finance Code 352						
Numerous expenditures covered in this area please see attachment # 3 page 12-14 for details on allowable expenditures						
305		Fees For Services (Hepatitis A & B, Metro ECSU, MSDS on-line \$3,500, Safe Schools training \$3,500	\$8,000	\$7,500	\$7,500	\$7,500
366		CPR training and mileage reimbursements - Full training in Jun 2026	\$2,500	\$0		\$0
401		Supplies (personal protective equipment, disposable gloves, clothes, pads, masks, pest control, chemical storage). 80% Special Ed, 20 % Secondary	\$12,500	\$11,533	\$13,433	\$11,533
170		IAQ Coordinator Stipend	\$2,500	\$4,400	\$2,500	\$4,400
200		IAQ Coordinator Benefits	\$700	\$667	\$667	\$667
820		Mgmt asst. prog. (Virnig Consulting for H&S) and Metro ECSU H&S M	\$3,500	\$4,000	\$4,000	\$4,000
Total Health & Safety			\$29,700	\$28,100	\$28,100	\$28,100
Physical Hazard Control - Finance Code 347						
401		PPE for staff (harness, boots, safety glasses, eye wash stations, etc) and safety equipment for special education programs (Ukeru blocking pads \$15k)	\$17,500	\$17,500	\$2,400	\$2,400
Roofing Systems - Finance Code 383						
520		Build reserve for 2028-2030 roof replacement Roof A, B, C	-\$175,000	\$250,000	\$0	\$0
Total Roofing Systems			\$372,273	\$250,000	\$0	\$0
Site Projects - Finance Code 384						
520		Parking Lot B asphalt/bituminous-crack fill and fog seal		\$15,000		
		Parking Lot A & Service Drive asphalt/bituminous-fog seal & stripe	\$25,000		\$10,625	\$13,500
		Replace outdoor picnic tables				
		Parking Lot A & Service Drive - Mill & Overlay (crack fill and move out 4-5 years)	\$0			
Total Site Projects			\$25,000	\$15,000	\$10,625	\$13,500
Fire Safety - Finance Code 363						
Fire Riser - Floor Plan Area A			\$5,075			
		Block facade in front efflorescence	\$10,875			
		Garage Doors (replace 3 doors)	\$8,700			
Total Building Envelope			\$19,575			
Building Hardware & Equip - Finance Code 369						
		Replace video monitoring camera system (added 2 new cameras)			\$47,458	\$40,000
		CASE Doors (2 sets of double doors)			\$14,000	
		Replace PA System		\$70,000		
		Reach in refrigerators/freezer	\$18,125			
		Warmer	\$14,500			
		Servers - Moved to DCTC October 2024 (not needed)	\$29,000			
		Fob system	\$14,500			
Total Building Hardware & Equip			\$76,125	\$70,000	\$61,458	\$40,000
Electrical - Finance Code 370						
		Gym			\$15,177	
		Gym Light hangers			\$2,506	
		Main building T8 Fluorescent light replacment			\$87,054	
520		Total Electrical		\$0	\$104,737	\$141,200
Interior Surfaces - Finance Code 379						
520		Interior floor replacement		\$34,000	\$23,430	\$14,000
		Interior maintenance	\$6,525	\$6,500		\$6,100
Total Interior Surfaces			\$6,525	\$40,500	\$23,430	\$20,100
Mechanical Systems - Finance Code 380						
520		HVAC Unit replacements- RTU #5,17,18,20		\$0	\$11,175	\$10,125
		HVAC Unit replacements- RTU #6, 13, 14, 15	\$313,200			
Total Mechanical Systems			\$313,200	\$0	\$11,175	\$10,125
Total LTFM			\$689,973	\$421,100	\$241,925	\$255,425
Total LTFM - Alliance Education Center			\$642,773	\$375,500	\$211,425	\$224,925

Intermediate School District No. 917
LTFM Levy by Member District, 2025 Payable 2026

Appendix B

Participating Districts (9):

ISD #	Name	<u>Pay 2025 Taxable Net Tax Capacity</u>					Combined Total	District %
		<u>Dakota (19)</u>	<u>Scott (70)</u>	<u>Goodhue (25)</u>	<u>Washington (82)</u>	<u>Hennepin (27)</u>		
6	South St. Paul						29,263,022	3.66%
191	Burnsville						128,693,043	16.12%
192	Farmington						61,646,595	7.72%
194	Lakeville						147,579,714	18.48%
195	Randolph						8,248,351	1.03%
197	West St. Paul						111,157,940	13.92%
199	Inver Grove Heights						51,552,259	6.46%
200	Hastings						60,737,959	7.61%
271	Bloomington						199,574,224	25.00%
		0	0	0	0	0	798,453,107	100.00%

Note: The Taxable Net Tax Capacity (TNTC) consists of net tax capacity, less captured tax increment and fiscal disparities contribution.

FY28 Levy: \$689,973.00

ISD #	Name	APU Est 2026-27 reported as of 12/31/25 by MDE	APU District %	Combined TNTC	NTC District %	50/50 Blended %	District's Portion LTFM Levy
6	South St. Paul	2,729.20	4.85%	29,263,022	3.66%	4.26%	29,374.04
191	Burnsville	7,878.20	14.00%	128,693,043	16.12%	15.06%	103,898.78
192	Farmington	6,768.20	12.03%	61,646,595	7.72%	9.87%	68,125.65
194	Lakeville	13,327.60	23.68%	147,579,714	18.48%	21.08%	145,464.77
195	Randolph	931.80	1.66%	8,248,351	1.03%	1.34%	9,275.93
197	West St. Paul	5,768.80	10.25%	111,157,940	13.92%	12.09%	83,391.47
199	Inver Grove Heig	3,619.04	6.43%	51,552,259	6.46%	6.44%	44,459.38
200	Hastings	4,244.03	7.54%	60,737,959	7.61%	7.57%	52,259.51
271	Bloomington	11,010.12	19.56%	199,574,224	25.00%	22.28%	153,723.46
				-			
		56,276.99	100.0%	798,453,107	100.0%	100.0%	689,973.00



ISD 197 Live Green Sustainability Program

June 1, 2026

Mark Fortman, Director of Operations

Meghan Bernard, Sustainability Manager

Live Green 2026 Update

To be good stewards of our resources and environment and instill these values to future generations

- Natural Resources Management
- Solar Summary
- Energy
- Water
- Waste Management
- Grants
- Upcoming Projects
- Youth Engagement
- LiveGreen Clubs



Natural Resource Management

Two Rivers Bioretention Basin

Dakota County Soil & Water Conservation District

- Installed Spring 2026
- Capture parking lot salt & reduce water pollution to Mississippi River
- Engineered soil, pretreatment chamber, grading, 1200+ plants
- [Article](#)



Solar Summary

Reduces electric costs & GHG emissions

On-site solar

- Over 900 kW
- Six schools
- 18% of total electricity use
- Projected savings +\$1.5M over 25 years

Off-site solar

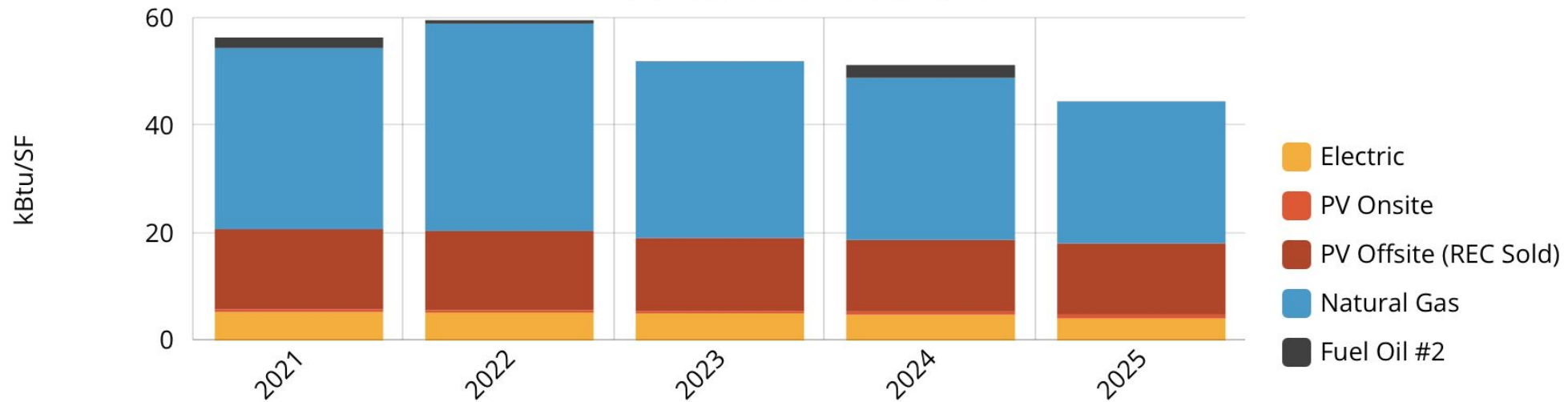
- Seven community solar sites
- 82% of electricity use
- \$1.5M in solar rewards since 2020

Xcel Solar Garden Refund	
Year	Refund
2020	\$306,416
2021	\$196,331
2022	\$75,418
2023	\$417,272
2024	\$234,666
2025	228,448.61
Total	\$1,458,551

2025 Electricity & Natural Gas

West St. Paul-Mendota Heights-Eagan Public Schools Annual Usage

2021-2025, Weather Normalized*



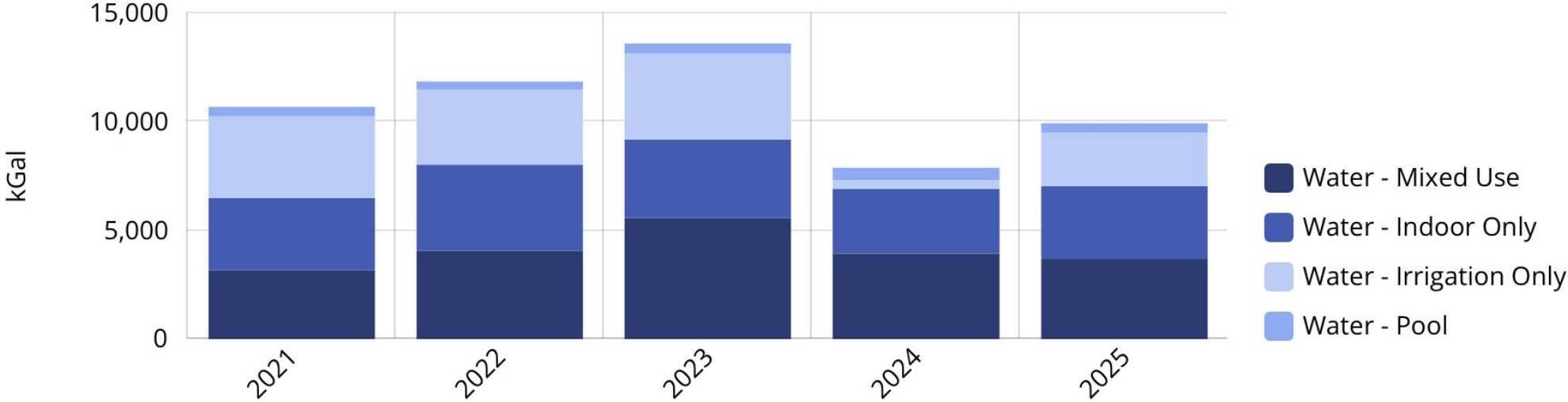
2025

- Energy Use: 44.55 KBtu/SF
- Down 13% from 2024
- Energy costs continue to increase

2025 Water and Sewer

West St. Paul-Mendota Heights-Eagan Public Schools Annual Water Usage

2021-2025



2025

- \$86K in water and sewer costs
- 10 million gallons/year
- 26% Increase use from 2024

2025 Waste Management

2025

- Waste down 17% from 2024
- Diversion up 2% from 2024
- Cost down 40% from 2024

Opportunities

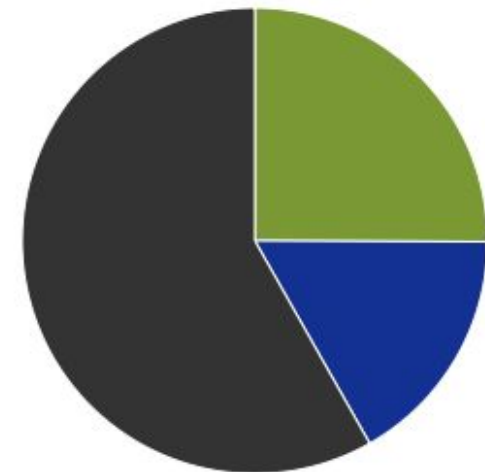
- 75% diversion goal
- Material management
- Tracking and awareness
- Reduce paper use



Waste

717,530 lbs

42% diverted from landfill



Apr 2025-Mar 2026

2025-26 Grants

Focus	Grant	Amount	Project
Waste & Material Management	MN Pollution Control Agency Waste Reduction	\$181,000	Dishwasher at Two Rivers High School
Youth Engagement	MN Dept of Transportation BOOST	\$14,362	Bike racks, helmets & locks
Youth Engagement	Dakota County SHIP	\$10,000	ADA outdoor equipment
Natural resource conservation	Dakota County Soil and Water Conservation District	\$73,000	District Office/Two Rivers Rain Garden
Natural resource conservation	MN DNR Releaf Grant	\$40,000	Garlough School Forest
Natural resource conservation	Dakota County Soil and Water Conservation District	\$20,000	Garlough, Heritage, Moreland & Two Rivers conservation cover/planting

Two Rivers Dishwasher

Two Rivers dishwasher

- MN Pollution Control Agency waste reduction grant
- Launching reusable trays Fall 2026
- Installed Spring 2026
- Saving \$13,500/yr in compostable trays



Upcoming Projects

Garlough School Forest MN DNR Releaf Grant

- Great River Greening will be doing Ash & invasive removal, burning for biochar generation, tree planting
- Beginning Summer 2026
- Project complete Fall 2027



Upcoming Projects

Conservation Cover & Wildlife Habitat Planting Dakota County Soil & Water Conservation District

- Convert five acres of turf to native prairie
- Four sites: Garlough, Heritage, Moreland, Two Rivers
- Beginning Summer 2026-2027



Youth Engagement

Two Rivers Live Green Club 2025 Mendota Heights Leaf Award

- **Two Rivers LiveGreen Club, Leaf award** –Two Rivers LiveGreen Club. recognizes significant contributions of an individual, family, company or organization that has demonstrated substantial leadership for the stewardship of our city’s natural resources.
- **Meghan Bernard, Canopy award** – recognizes lifetime achievement of an individual, family, company or organization that has demonstrated extraordinary leadership for the stewardship of our city’s natural resources.



2025-26 LiveGreen Club Activities

- Recycle right audits
- Adopt-a-drain
- Pollinator plantings
- Cafeteria waste sorting
- Litter cleanups
- Bioretention basin planting



Claire Dahl cleans a storm drain at Two Rivers

Somerset Litter Cleanup



Moreland Pollinator Planting



Garlough Waste Sorting



Questions & Comments





2026 Triennial Assessment & Policy 533

June 1, 2026

Meghan Bernard, Mark Fortman, Sabrina Kintz

Child Nutrition

Child Nutrition Supervisor

Sabrina Kintz

Nutrition Supervisor, MPH, RD

- Completed undergraduate education at UMN and graduate education at Northern Arizona University
- Previous school nutrition experience working as a dietetic intern at Flagstaff Unified School District



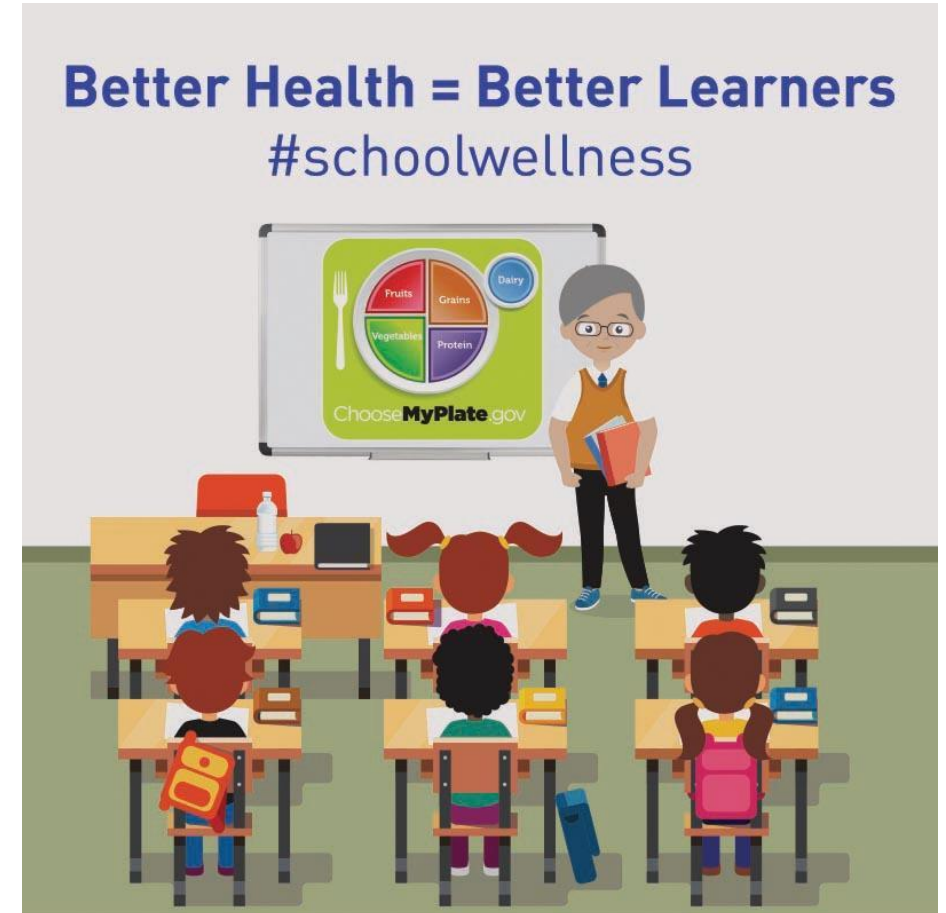
Updates

- Student feedback survey
- Spring taste testing-plant based tacos
- 2026-27 MDE's Mastering Menu Planning Training program



2026 Triennial Assessment

- Mandatory review conducted at least once every three years to evaluate compliance, progress, and updates to a district's wellness policy, as required by [USDA](#).
- Measures extent to which the district is implementing student nutrition, physical activity, and wellness goals.
- WellSat assessment completed Spring 2026.



Summary of 2026 Triennial Assessment Results – ISD 197

Section 4. Compliance with the Wellness Policy and Progress towards Goals	Meeting Goal	Partially Meeting Goal	Not Meeting Goal
Nutrition Promotion and Education Goal(s)	x		
Physical Activity Goal(s)	x		
School-based activities to promote student wellness goal(s)	x		
Nutrition guidelines for all foods and beverages for sale on the school campus (i.e., school meals and smart snacks)	x		
Guidelines for other foods and beverages available on the school campus, but not sold	x		
Marketing and advertising of only foods and beverages that meet Smart Snacks	x		

District Compliance with Wellness Policy

Compliance with the Wellness Policy	Requirements	Evidence of Compliance	Meets Goals (Y/N)
Nutrition Promotion and Education Goal(s)	Offer a comprehensive program designed to provide students with the knowledge and skills necessary to promote and protect their health.	<ul style="list-style-type: none"> The district offers a comprehensive approach to student nutrition promotion and education through multiple approaches, programs, curriculum implementation, and experiential opportunities. 	Yes
Physical Activity Goal(s)	All students in grades PreK-12 will have opportunities to be physically active.	<ul style="list-style-type: none"> The district offers a comprehensive approach to student physical activity through multiple approaches, programs, curriculum implementation, and experiential opportunities. 	Yes
School-based activities to promote student wellness goal(s)	The school district will provide healthy and safe school meal programs that comply with all applicable federal, state, and local laws, rules, and regulations.	<ul style="list-style-type: none"> The district aims to ensure equitable access to and participation in USDA school meals regardless of circumstance, including support for unpaid meal charges and individualized dietary needs, amongst robust district programming to support student health and wellbeing. 	Yes
Nutrition guidelines for all foods and beverages for sale on the school campus (i.e., school meals and smart snacks)	All competitive foods will meet the USDA Smart Snacks in School (Smart Snacks) nutrition standards and any applicable state nutrition standards, at a minimum.	<ul style="list-style-type: none"> The district has clear practices such as limiting vending machine access to before and after the school day and only offering Smart Snack–approved items in vending machines, and in cafeteria snack bars during lunch. 	Yes
Guidelines for other foods and beverages available on the school campus, but not sold	Student wellness will be a consideration for all foods offered. The district will provide a list of Smart Snack foods and beverages and non-food celebration ideas.	<ul style="list-style-type: none"> The district promotes and encourages healthy role modeling and behaviors and supports access to primary resources such as free and unrestricted access to clean and safe water. 	Yes
Marketing and advertising of only foods and beverages that meet Smart Snacks	The school district shall designate an appropriate person to be responsible for the school district’s food service program, whose duties shall include the creation of nutrition guidelines and procedures for the selection of foods and beverages made available on campus to ensure food and beverage choices are consistent with current USDA Guidelines.	<ul style="list-style-type: none"> All foods sold, including those in school-sponsored vending machines, meet Smart Snack standards and are the only food items “promoted” to students. 	Yes

Nutrition Promotion and Education Goal(s)

Policy Section: Nutrition Promotion and Education Goal(s)	Goal Status <i>(Meets/Partially/Does Not Meet)</i>	Progress, Goals, & Evidence	Next Steps
Policy 533, Section 3A: Nutrition Promotion & Education (#1-2)	Meeting Goal	<p>A primary goal for the district is to continue to support healthy meal access at school that reflects the needs of the district's student population, through access to:</p> <ul style="list-style-type: none"> • School gardens, green houses and paired curriculum. • Taste Test Events and menu development focused on culturally diverse options (tamales, pupusas, etc.). • Implementing age-specific designated health curriculum within the district. • Providing plastic-free lunch daily (reducing microplastics exposure to support human health). 	<p>Next steps for the school district are to:</p> <ul style="list-style-type: none"> • Implement the Full Tray Grant (depart of Ag.) to incorporate menu items that are locally grown, including produce and proteins (cheese, meat). • Assess menu adaptations based on the new sodium and added sugar recommendations (USDA). • Incorporate food from the school garden at Two Rivers into the salad bar.

Physical Activity Goal(s)

Policy Section: Physical Activity Goal(s)	Goal Status <i>(Meets/Partially/Does Not Meet)</i>	Progress, Goals, & Evidence	Next Steps
Policy 533, Section 3B: Physical Activity (#1-3)	Meeting Goal	<p>A continued effort within the district is to support a diverse number of opportunities for Physical Activity through programs such as:</p> <ul style="list-style-type: none"> • Physical Education Curriculum (K-12) • Safe Routes to School <ul style="list-style-type: none"> • 2025-2026 Grant to increase biking infrastructure <i>(elements, bikes, locks, etc.)</i> • Bike Fleet program taught by PE teachers. • Walk! Bike! Fun! • Girls on the Run • Community and Family Nights that focus on physically active activities. • Walk/Bike to School Day (Spring). • Athletic Department <i>(hosts various school sports teams and recreation opportunities)</i>. • Club sports available for participation <i>(Ski club, etc.)</i>. • Select schools offer access to various physical activity equipment <i>(free weights, yoga mats, snowshoes, bikes, etc.)</i>. • ADA compliant Picnic Tables & Playground equipment implementation at select schools <i>(Dakota County Community Partner Award Grant 2025-2026)</i>. • Support select school programs: American Heart Kids Challenge <i>(Heritage Elementary)</i>. 	<p>Next steps for the school district are to:</p> <ul style="list-style-type: none"> • Collect building recess practices across the district/grade levels. • Increase ADA Playground equipment and space accessibility.

School-based Activities to Promote Student Wellness Goal(s)

Policy Section: School-based activities to promote student wellness goal(s)	Goal Status <i>(Meets/Partially/ Does Not Meet)</i>	Progress, Goals, & Evidence	Next Steps
<p>Policy 533, Section 4A: School Meals (#1-10)</p> <p>Policy 534, Section 3E: Low or Negative Account Balances – Notification</p>	<p>Meeting Goal</p>	<p>A primary goal for our district is to continue to support access and utilization of USDA school meals regardless of circumstance (Policy 534: Unpaid Meal Charges), and individualized needs such as allergies or special food preparation needs. ISD 197 strives to continue to expand access and utilization of food distribution programs such as Second Chance Breakfast and healthy food taste tests in addition to:</p> <ul style="list-style-type: none"> • Locally grown and produced foods through First Bite Grant. • All you can eat salad bars with protein options available daily. • Vegetarian and plant-based chicken patty (halal and kosher) available. • Expanding scratch cooking menu offerings. • Reduced sugar in breakfast items (16g or less). • Menu's clearly outline allergens and nurses work with students for direct care on special diet conditions (<i>diabetes, etc.</i>). • Periodic announcements to students to promote new foods available, provide visuals to support interest and engagement to increase participation in school meals. • Collect periodic feedback from staff and students from taste tests to assess interest in offered foods. • Staff at elementary schools are required to cut whole fruit for student consumption ability. <p>In addition to the above district goals, ISD197 continues to learn and expand opportunities to integrate school-based programming for wellness. ISD197 partners annually with Dakota County Public Health to integrate school wellness across the district with programming focused on: Healthy Food Access, Physical Activity, Commercial Tobacco Free Living and Mental Health Well-Being.</p>	<p>Next steps for the school district are to:</p> <ul style="list-style-type: none"> • Evaluate sit-time for meals at the school level. • Apply for Dakota County SHIP Community Partner Award Grant Funding for the 2026-2027 school as it becomes available.

Nutrition Guidelines - Competitive Foods & Beverages

Policy Section: Guidelines for other foods and beverages available on the school campus, but not sold	Goal Status <i>(Meets/Partially/ Does Not Meet)</i>	Progress, Goals, & Evidence	Next Steps
Policy 533, Section 4D: Other Foods and Beverages Made Available to Students (#1-2)	Meeting Goal	<p>District 197 has been strong advocates for all staff, school members, and students to model healthy eating behaviors during the school day through applying USDA standards for healthy choice foods offered or made available through non-school meal program opportunities such as, but not limited to: non-food related celebrations, potlucks, and rewards. In addition, the district supports healthy access through:</p> <ul style="list-style-type: none"> • Unrestricted access to free and safe water at water fountains and water bottle filling stations during lunch at all school locations. • Select schools have access to taste tests of school garden produce. 	<p>Next steps for the school district are to</p> <ul style="list-style-type: none"> • Communications within schools for no-treat guidance for students. • Assess district practice to provide Smart Snack compliant celebration recommendations. • Following environmental efforts assessing options to encourage use of reusable water bottle.

Marketing and Advertising

Policy Section: Marketing and advertising of only foods and beverages that meet Smart Snacks	Goal Status <i>(Meets/Partially/Does Not Meet)</i>	Progress, Goals, & Evidence	Next Steps
Policy 533, Section 4B: School Food Service Program/Personnel (#1)	Meeting Goal	<p>A primary goal for our district is to continue to communicate, market, and educate healthy meal choices and access to USDA compliant Smart Snack food selections.</p> <ul style="list-style-type: none"> All food that is sold during the school day and in school sponsored vending machines contain only Smart Snack compliant items. 	<p>Next steps for the school district are to:</p> <ul style="list-style-type: none"> Assess exemptions to before/after Childcare programs. Assess PTO/PTA sponsored activities to provide additional Smart Snack compliant options.

Thank You!

Questions & Comments





TriDistrict Community Education Advisory Council Report

School Board Presentation - June 1, 2026
By Lisa Grathen, Director of Community Education

Community Education Advisory Council Purpose

- Identify and assess Community Education needs, interests, and concerns.
- Recommend areas of program development.
- Ensure programs and services are being evaluated.
- Eliminate duplication of programs and services.
- Expand and improve communication and collaboration among the community.
- Promote the Community Education philosophy for lifelong learning.
- Recommend the Community Education budget to the School Boards.
- Meet 4-6 times a year.

Minnesota State Statute 124D.19: “each school board must provide for a Community Education Advisory Council”



2025-2026 Meetings

October 14: Orientation of Six New Members

November 18: Early Learning Report

January 13: Adult, Adults with Disabilities & Family Report

April 14: 2025-2026 Budget Update, New Registration Software

May 12: Recommendation of 2026-2027 CE Budget



2025-2026 Outcomes

- Increased Membership
 - Added 5 additional members in 2025-2026
 - 22 current members
- Meeting Attendance
 - 75% current year



2025-2026 Survey Results

Member Feedback

- 93% clear communication and organization of the council
- 93% continue using Martha's Rules of Order for decision making
- 86% feel engaged in meetings
- Opportunities to contribute
 - 71% yes
 - 21% sometimes
- Purposeful work and meaningful contribution
 - 79% yes
 - 21% somewhat



2025-2026 Members

Sarah Larson
Amelia Berry
Ashley Watson
Rachel Vanoverbeke
Betsy King
Steve Heasley
Paul Brown
Julie Weisbecker
Melissa Pond
Sam Murphy
Meredith Lawrence
Anna Ferris

District 197 Board
District 197 Youth Programs
District 197 Early Learning Programs
District 197K-4 School Age Care
District 197 Middle School School Age Care
District 197 Adult Programs
District 197 Adult Programs
District 197 Adult 55+ Programs
Wentworth Library Representative
City of West St. Paul
City of Mendota Heights
Dakota County

Kim Humann
Brienne Miller
Geri Weber
Jan Benken
Cody Semo
Sarah Connolley

SSP School Board
SSP ELAC
SSP Adult Programs
SSP Adult 55+ Programs
Neighbors Representative
Dakota County Library

Sarah Larson
Al Vandehoef
Elena Toninato
Charity Gaisbauer

IGH School Board
IGH Adults 55+ Programs
IGH Community Representative
IGH Youth Programs



Thank You!

Comments and/or Questions



TO: School Board Members

FROM: Brian Schultz, Director of Finance

DATE: June 1, 2026

SUBJECT: Review Fiscal Year 2026-27 Proposed Budgets

BACKGROUND

A copy of the proposed FY2026-27 budgets for the General, Food Service, Community Service, and Debt Service funds are included in your packet. They are part of the Fiscal Year 2026-27 Budget Presentation.

Additional information will be presented during the meeting on what is proposed in each fund's budget for FY2026-27.

The administration will request approval of the General, Food Service, Community Service, and Debt Service budgets at the next June board meeting.

Overall, budget resources are allocated to help the district make progress towards achieving the items stated in the Strategic Framework, which in turn, drives the work of district staff and administrators. Within the Strategic Framework, we are committed to equitable practices by being accountable for removing barriers and creating equitable systems. Examples of how we allocate equitable resources include:

1. Compensatory education funds are distributed based on student and school free/reduced lunch participation and are used for intervention programming.
2. Intervention programs, such as ADSIS and Title I, have been put in place to support students who are behind grade level and/or not meeting standards.
3. The English Learning programming which supports students whose primary language is not English.
4. Achievement and integration programs are intended to achieve racial and economic integration, increase student achievement, and reduce academic disparities within the district.

RECOMMENDED RESOLUTION

Review only – no action needed at this time.



TO: School Board Members

FROM: Peter Olson-Skog, Superintendent

DATE: June 1, 2026

SUBJECT: Authorization of Capital Project Levy: Review and Comment

BACKGROUND

The district is presenting information regarding a proposed capital project levy and the next required step in that process: submission of Review and Comment materials to the Minnesota Department of Education.

The proposed levy is part of the district's broader long-term financial planning strategy. It is intended to help address ongoing structural budget pressures caused by the cost of operating schools increasing faster than the revenue available to support those costs. Current projections show district expenditures increasing by approximately 3% annually, while state-provided and other recurring revenues are growing closer to 1%.

The district has already taken significant steps to address this challenge. Across the 2025-2026 and 2026-2027 budget years, the district has implemented or approved more than \$3.25 million in permanent budget reductions, including approximately \$750,000 for 2025-2026 and approximately \$2.5 million for 2026-2027. These reductions reflect responsible fiscal stewardship and a clear commitment to aligning ongoing expenditures with ongoing revenue while protecting classroom instruction, student supports, and the daily learning experience as much as possible.

The proposed capital project levy does not replace the need for fiscal discipline, careful budgeting, state advocacy, or future financial planning. Rather, it represents one state-authorized tool available to school districts to fund certain existing eligible costs in a more sustainable way, reduce pressure on the overall budget, and help reduce the size or frequency of future reductions.

Authorization by the School Board to initiate the Review and Comment process does not constitute final ballot approval. It is, however, a required step in the process and would signal the Board's intent to continue moving toward a possible referendum in the fall. Formal adoption of ballot language would return to the School Board later this summer, after completion of the Review and Comment process.

Financial Context and Stewardship

School District 197 has been engaged in ongoing financial planning to address a persistent structural imbalance between revenue and expenditures. This challenge is not the result of a single budget year or decision. It reflects a broader school finance reality in which the cost of providing education continues to rise faster than the revenue available to support that work.

Major cost drivers include compensation, health insurance, special education, transportation, technology, instructional materials, building operations, and other essential services needed to operate schools. Although recent state funding changes have provided some support, state funding has not fully kept pace with the actual cost of operating schools. Some cost areas, such as health insurance and special education, continue to grow faster than general inflation. Some state funding adjustments also apply only to portions of district revenue rather than the full operating budget.

The district continues to advocate at the state level for more sustainable school funding, including funding that better reflects the actual cost of educating students, reducing unfunded mandates, and addressing the special education cross-subsidy. However, state advocacy is a long-term strategy and cannot be the district's only response to current financial pressures.

The district has not waited to act. The reductions already implemented or approved were developed with a guiding priority: protect the classroom experience for students as much as possible. The district focused reductions on operational efficiencies, district-level budgets, non-instructional contracted services, technology and software, professional development, operating cost efficiencies, and targeted site-level adjustments. Class size parameters were maintained, and efforts were made to minimize impacts to direct student supports and daily instruction.

Fund balance is also part of this stewardship story. The School Board's policy target is an 8% unassigned fund balance, which provides the greatest flexibility to manage uncertainty, respond to unexpected costs, maintain stable operations, and protect against short-term disruptions. In recent years, the district's unassigned fund balance declined below that target, but that decline did not happen by accident or because of inattention to the district's financial position.

During the COVID-19 period and the years that followed, the Board made intentional decisions to use available fund balance to maintain stability for students, families, and staff. While federal COVID relief funds helped address some needs during the height of the pandemic, many academic, social, emotional, and operational needs continued beyond the period when those temporary funds were available. Using fund balance in this way was consistent with its purpose: to provide flexibility during periods of significant disruption and uncertainty. At the same time, the Board understood that reserves cannot be used as a permanent solution and would need to be rebuilt over time.

By the end of the 2024-2025 school year, the district's fund balance was approximately 2%. Through reductions already made and additional financial management actions, the district is projected to rebuild the fund balance to just under 4% in the current year and approximately 5% in 2026-2027. This is meaningful progress, but it does not fully restore the district to the Board's 8% target or resolve the underlying structural challenge.

Recent legislative authority provides the district with a one-time opportunity to improve short-term financial stability through an operating capital transfer. This tool allows the district to move certain dollars from a more restricted construction-related fund into the operating capital portion of the general fund, where they may be used for specific allowable purposes. This is helpful because it provides greater flexibility in how existing district dollars can be used and can improve short-term unassigned fund balance projections. However, it does not create new revenue for the district, and it does not change the recurring relationship between revenue and expenditures.

Capital Project Levy

A capital project levy is a state-authorized financing option that allows school districts, with voter approval, to receive additional funding for specific eligible costs. Examples include instructional

materials, equipment, furnishings, technology, physical security, cybersecurity, and certain building-related or operational needs that qualify under state guidelines.

The proposed capital project levy is not intended to create new programs or expand services. Because these funds can only be used for allowable purposes, the levy would not function as unrestricted funding. However, by using levy revenue for eligible costs the district already incurs, the district can reduce pressure on other parts of the budget and preserve more flexibility in its overall financial plan.

The district is proposing an annual levy authority of approximately \$4.6 million. The estimated tax impact is approximately \$14 per month on a \$400,000 home. These figures are proposed for Review and Comment submission purposes and would return to the School Board for final consideration before any ballot question is formally adopted.

In practical terms, the proposed capital project levy would provide additional revenue for specific allowable purposes, support more stable multi-year financial planning, help reduce the size or frequency of future budget reductions, and provide the community with a direct voice in the district's financial path. It would not add new programs, expand existing services, provide unrestricted funding for any purpose, replace ongoing fiscal discipline, fully eliminate the structural gap, or take final effect without voter approval.

Community Choice and Required Process

Ultimately, this is a question of community direction. The district will continue to operate within its means regardless of the outcome. If the levy does not move forward or is not approved by voters, the district will continue to make responsible budget decisions, use available one-time tools where appropriate, and advocate for improved state funding. However, without additional ongoing revenue, additional future reductions would be needed to maintain financial balance. Additional cuts will be needed to continue progress toward the Board's fund balance target.

If the levy is approved by voters, the district would have additional revenue to support specific eligible costs the district already incurs. This would reduce pressure on the overall budget, help preserve the progress already made through difficult budget reductions, and provide more stability while the district continues long-term planning and state advocacy.

Before the School Board can take final action to place a capital project levy question on the ballot, the district must complete the Review and Comment process with the Minnesota Department of Education. This process requires the district to submit information about the proposed project, including the proposed scope and financing. The submission must include the proposed levy amount.

Authorization to initiate Review and Comment does not place the question on the ballot, approve final ballot language, or commit voters to any tax increase. It allows the district to begin the required state process so that the School Board has the option to consider formal ballot action later this summer. Beginning the process in June preserves the possibility of a November 2026 referendum.

Timeline of Events

- **April 2026:** Initial financial outlook and capital project levy background presented to the School Board.
- **June 2026:** School Board consideration of budget approval and authorization to submit Review and Comment materials to MDE.
- **Summer 2026:** MDE Review and Comment process conducted.

- **Late Summer 2026:** School Board consideration of final ballot resolution for the November General Election.
- **Fall 2026:** Community information and engagement process regarding the levy proposal.
- **November 2026 General Election:** Community vote on the proposed capital project levy.

RECOMMENDED RESOLUTION

BE IT RESOLVED that the School Board of Independent School District 197 authorizes submission of the proposed capital project levy to the Commissioner of Education for Review and Comment pursuant to Minnesota State Statute §123B.71.