

Special Meeting

Tuesday, June 20, 2023 5:30 PM

ECC 350, 349, 338, and Virtual, 5701 Normandale Road, Edina, MN 55424

I. Determination of Quorum and Call to Order

II. Approval of Agenda



**School Board Special Meeting
Tuesday, June 20, 2023; 5:30 PM
Edina Community Center and Virtual**

I. Determination of Quorum and Call to Order

II. Approval of Agenda

III. Consent

- A. Property, Casualty, and Liability Insurance Renewal – Fiscal Year 2024
- B. Raptor Visitor Management System

IV. Discussion

- A. Update on Cooperation Agreement - School Board Elections

Description: An update of the current status of the cooperation agreement between the City of Edina and School Board will be given to the board.

Presenter(s): City-District Committee

- B. Proposed Board Retreat Agenda and Goal Setting Process

Description: The board will be having its annual summer retreat on July 11th and 12th at Arneson Acres. The attached document is an overview of a proposed agenda, as well as an overview of the proposed process to set board goals for the 2023-2024 school year.

Presenter(s): Governance Committee

V. Action

- A. Revised Budget – Fiscal Year 2023

Description: The fiscal year 2023 budget was developed using the most reliable information available at the time of adoption in June 2022. As superior information and data becomes available, the District is able to make adjustments to reflect the actual operations of the District. Expected enrollment versus actual enrollment, projected staffing vs actual staffing, fluctuations to supply and material costs, and the timing of expenditures made against federal awards are just a few of the countless budgetary variables that can change during a school year.

Presenter(s): Mert Woodard, Director of Business Services

Recommendation: Approve the budget revisions recommended by the District administration for the fiscal year ended June 30, 2023.

- B. Preliminary Budget – Fiscal Year 2024

Description: Minnesota Education Laws 2023 were used as the basis for building the fiscal year 2023-2024 budget which includes a 4.0% increase in the state basic education revenue formula, an increase to special education cross subsidy aid from 6.4% of the cross subsidy to 44.0%, and an increase to per pupil English Learner revenue from \$704 to \$1,228.

The District will also experience an increase of \$229 per pupil in operating referendum authority and a 5.5% increase to the capital projects levy, directly proportional to the increase to the net tax capacity of the District. The development of the District's budget

for the 2023-2024 school year, which was concluded before the end of the 2023 legislative session, includes approximately \$4.0M of cost containment measures. The cost containment measures include but are not limited to: the elimination of all non-special education paraprofessionals hired with one-time federal pandemic relief funds, the "right sizing" of licensed staff at the middle school level in accordance with established District class-size ratios, the elimination of certain central office administrative staff through attrition, and the indefinite deferral of certain capital purchases.

Presenter(s): Mert Woodard, Director of Business Services

Recommendation: Adopt the District administration's recommended preliminary budget for the fiscal year ended June 30, 2024.

VI. Closed Session

A. Superintendent Goals – End of the Year Report

Description: A set of superintendent goals were approved in September 2022 that are aligned with the goals and benchmarks of the strategic plan. Progress toward goals was reviewed in February of 2023. This information is intended to provide a full year overview of progress toward completing goals. All benchmarks and timelines were attained.

Presenter(s): Dr. Stacie Stanley, Superintendent

VII. Leadership and Committee Updates

VIII. Superintendent Updates

IX. Adjournment

* One board member will participate virtually from 2927 Villa Court, Bettendorf, IA 52722

III. Consent

III.A. Property, Casualty, and Liability
Insurance Renewal - Fiscal Year 2024



Board Meeting Date: 6/20/2023

Title: Property, Casualty, and Liability Insurance Renewal – Fiscal Year 2024

Type: Consent

Presenter(s): Mert Woodard, Director, Business Services

Description: In December 2015, the School Board awarded the District's property, casualty, and liability insurance contract to the Minnesota Insurance Scholastic Trust (MIST). MIST provides the benefit of self-insurance cooperative purchasing, and 26 school districts currently participate in the MIST program. Any remaining funds at the end of a claim year are distributed among member districts. The overall property insurance market continues to harden considerably. This, coupled with inflation, has resulted in a significant increase to the District's premiums. The District's renewal for the July 1, 2023 to June 30, 2024 period is a 35.9 percent increase over the prior year. During the District's initial budget development that took place in the fall of 2022, the administration assumed a 25.0 percent increase.

Recommendation: The District administration recommends awarding the property, casualty, and liability insurance contract for the July 1, 2023 to June 30, 2024 period to the Minnesota Insurance Scholastic Trust ((MIST).

Desired Outcomes from the Board: N/A

Attachments:

1. MIST Full Membership Renewal Presentation – July 1, 2023 to June 30, 2024
2. MIST Insurance Policy Pricing List – 2023-2024



Minnesota Insurance Scholastic Trust

Full Membership Renewal Meeting
July 1, 2023 – July 1, 2024

May 9, 2023

Agenda



- I. **Introductions and Welcome** Sandy Linn
- II. **Roll Call**
- III. **Approval of Agenda – motion required**
- IV. **Public Comment**
- V. **Approval of Meeting Minutes**
 - a. **December 20, 2022 – motion required**
- VI. **Chairperson’s Report** Sandy Linn
- VII. **Treasurer’s Report** Lisa Johnson
- VIII. **Program Administrator’s Annual Renewal Presentation: - motion required** Byron Given & Jack Kurcab
- IX. **Gallagher Bassett Presentations:**
 - a. **Claim’s Administration Presentation** Emily Wells
- X. **Other Matters**
 - a. **Cyber Loss Control Resources**
- XI. **Future Full Membership Meeting Date:**
 - a. **Midterm Review – December 2023 – Virtual via Teams**
- XII. **Adjournment- motion required**



Minnesota Insurance Scholastic Trust

Chairperson's Report

Sandy Linn

MIST Chairperson's Report



- **MIST provides your district a HOME, you wont be dropped**
- MIST is owned & operated by Minnesota school districts
- **A net position of over \$1.9M**
- All MIST Members enjoy comprehensive Cyber Individual Cyber Limits - \$2M
- Program is 100% transparent, all financials, rates, fees and commissions are disclosed to all members.
- MIST provides members surplus distributions - \$375K distributed to date

**MIST's 10th year of
service to
Minnesota Schools!**

Stronger Together

Your MIST Executive Board



| MIST Position | Name | Member District |
|--------------------------------|-----------------|--------------------------------|
| MIST Chairperson | Sandy Linn | New Prague Area Schools |
| MIST Vice - Chairperson | Andrew Adams | Austin Public Schools |
| Treasurer | Kent Fritze | Park Rapids Area Schools |
| Board Member | Sarah Slaby | Winona Area Public Schools |
| Board Member | Kristi Anderson | Maple Lake Public Schools |
| Board Member | Kim Sandry | MACCRAY Public School District |

MIST Net Position

As 3/31/2023



\$1,919,051

*3/31/23 Net Position

Previously Carrier Profit, now it belongs to MIST



Minnesota Insurance Scholastic Trust

Treasurer's Report

Lisa Johnson - ARTEX

Treasurer's Report



FINANCIAL STATEMENTS
MINNESOTA INSURANCE SCHOLASTIC TRUST
March 31, 2023



Treasurer's Report - Statements of Net Position

March 31, 2023



| ASSETS | |
|--|---------------------|
| Cash | \$ 1,748,075 |
| Contributions Receivable | 32,250 |
| Deductible Receivables | 21,380 |
| Premium Refunds Receivable | 1,049 |
| Excess Insurance Recoveries Receivable | 1,698,585 |
| Aggregate Excess Receivable | 958 |
| Prepaid Expenses | 9,129 |
| TOTAL ASSETS | \$ 3,511,426 |

LIABILITIES AND NET POSITION

LIABILITIES

| | |
|---|------------------|
| Accounts Payable and Other Accrued Expenses | \$ 2,250 |
| Due to Related Parties | 1,049 |
| Due to Insurance Carriers | 10,000 |
| Reserve for Outstanding Losses | 931,656 |
| Reserve for IBNR Losses | 647,420 |
| TOTAL LIABILITIES | 1,592,375 |

NET POSITION

| | |
|---|---------------------|
| Retained Loss Fund FY 16-17 | - |
| Retained Loss Fund FY 17-18 | 262,227 |
| Retained Loss Fund FY 18-19 | 102,753 |
| Retained Loss Fund FY 19-20 | 25,586 |
| Retained Loss Fund FY 20-21 | 955,887 |
| Retained Loss Fund FY 21-22 | - |
| Retained Loss Fund FY 22-23 | 150,530 |
| Contingency Fund | 268,921 |
| Unallocated Surplus | 153,147 |
| TOTAL NET POSITION | 1,919,051 |
| TOTAL LIABILITIES AND NET POSITION | \$ 3,511,426 |

Statements of Revenue/Expenses – March 31, 2023



| | March 31, 2023 | Budget for Year Ending June 30, 2023 | Variance Over/(Under) Budget (\$) | Variance Over/(Under) Budget (%) |
|--|---------------------|--|---|--|
| REVENUES | | | | |
| Premium Contributions | \$ 4,675,678 | \$ 4,605,443 | \$ 70,235 | 1.53% |
| Broker and Pool Management Contributions | 455,848 | 455,848 | - | 0.00% |
| Loss Fund Contributions | 1,815,922 | 1,815,922 | - | 0.00% |
| Operating Fund Contributions | 127,649 | 95,399 | 32,250 | 33.81% |
| Investment Income | 43,731 | - | 43,731 | 0.00% |
| Total Revenues | 7,118,828 | 6,972,612 | 146,216 | 2.10% |
| EXPENSES | | | | |
| Premiums to Excess Insurance Carriers | 4,675,773 | 4,605,443 | 70,330 | 1.53% |
| Losses and Loss Expense Paid and Incurred | | | | |
| Paid Losses | 2,444,853 | 1,815,922 | 628,931 | 34.63% |
| Change in Case Reserves | (222,083) | - | (222,083) | 0.00% |
| Change in IBNR | 231,029 | - | 231,029 | 0.00% |
| Deductible Reimbursement | (43,207) | - | (43,207) | 0.00% |
| Excess Insurance Reimbursement | (479,086) | - | (479,086) | 0.00% |
| Excess Aggregate Reimbursement | (958) | - | (958) | 0.00% |
| Subrogation Recoveries | (21,462) | - | (21,462) | 0.00% |
| Net Loss Expense | 1,909,086 | 1,815,922 | 93,164 | 5.13% |
| Broker and Pool Management Fees | | | | |
| Management Fees-AJG | 335,167 | 335,167 | - | 0.00% |
| Claims Processing (GB) | 19,080 | 92,601 | (73,521) | (79.40%) |
| Loss Control Fees-GB | 28,080 | 28,080 | - | 0.00% |
| Total Cost of Broker and Pool Management Fees | 382,327 | 455,848 | (73,521) | (16.13%) |
| Other Operating Expenses | | | | |
| Treasury Services (Artex) | 28,875 | 28,875 | - | 0.00% |
| Pool D&O, E&O Insurance | 35,921 | 35,921 | - | 0.00% |
| Crime Insurance for Board | 2,199 | 2,199 | - | 0.00% |
| Property Appraisal Services | 32,250 | - | 32,250 | 0.00% |
| Audit Services | 9,050 | 8,875 | 175 | 1.97% |
| Actuary Services | 5,250 | 9,750 | (4,500) | (46.15%) |
| Legal Services | - | 3,000 | (3,000) | (100.00%) |
| Bank Charges | 9 | 1,000 | (991) | (99.10%) |
| Board Meeting Expenses | - | 1,000 | (1,000) | (100.00%) |
| Miscellaneous | - | 1,000 | (1,000) | (100.00%) |
| Total Other Operating Expenses | 113,554 | 91,620 | 21,934 | 23.94% |
| TOTAL EXPENSES BEFORE DIVIDENDS | 7,080,740 | 6,968,833 | 111,907 | 1.61% |
| Member Dividends | - | - | - | - |
| CHANGES IN NET POSITION | \$ 38,088 | \$ 3,779 | \$ 34,309 | 907.89% |
| Net Position-beginning | 1,880,963 | - | - | - |
| Net Position-ending | \$ 1,919,051 | \$ 3,779 | - | - |

**MIST Net
Position**



The financial information contained in this report was prepared by Artex Risk Solutions, Inc. in its capacity as administrator of MIST. The information contained in this report is solely for the information and use by the management of MIST and is not intended to be used, and should not be used, by any other party.



Minnesota Insurance Scholastic Trust

Pool Administrator's Report

Byron Given, Jack Kurcab, Nick Lano



Minnesota Insurance Scholastic Trust

MIST Brokerage & Admin Team



RPA / Gallagher Team

| Name/Title | Phone/Alt. Phone | Email |
|---|------------------|---------------------------|
| Byron Given – Area Vice President – Senior Program Director | 630-694-5367 | Byron_Given@rpadmin.com |
| Jack Kurcab – Area Vice President – Program Director | 630-634-4036 | Jack_Kurcab@rpadmin.com |
| Nick Lano – Area Vice President | (612) 597-6327 | Nick_Lano@ajg.com |
| Laura O'Malley - Executive Program Manager | 630-228-6717 | Laura_OMalley@rpadmin.com |
| Katie Navin- Senior Client Service Manager | 630-228-6665 | Katie_Navin@rpadmin.com |

Loss Control - Gallagher Bassett

| Name/Title | Phone/Alt. Phone | Email |
|---|------------------|---------------------------|
| Jonathan Wilson - Loss Control Consultant | 630-936-3048 | Jonathan_Wilson@gbtpa.com |



Pool Administrator's Report

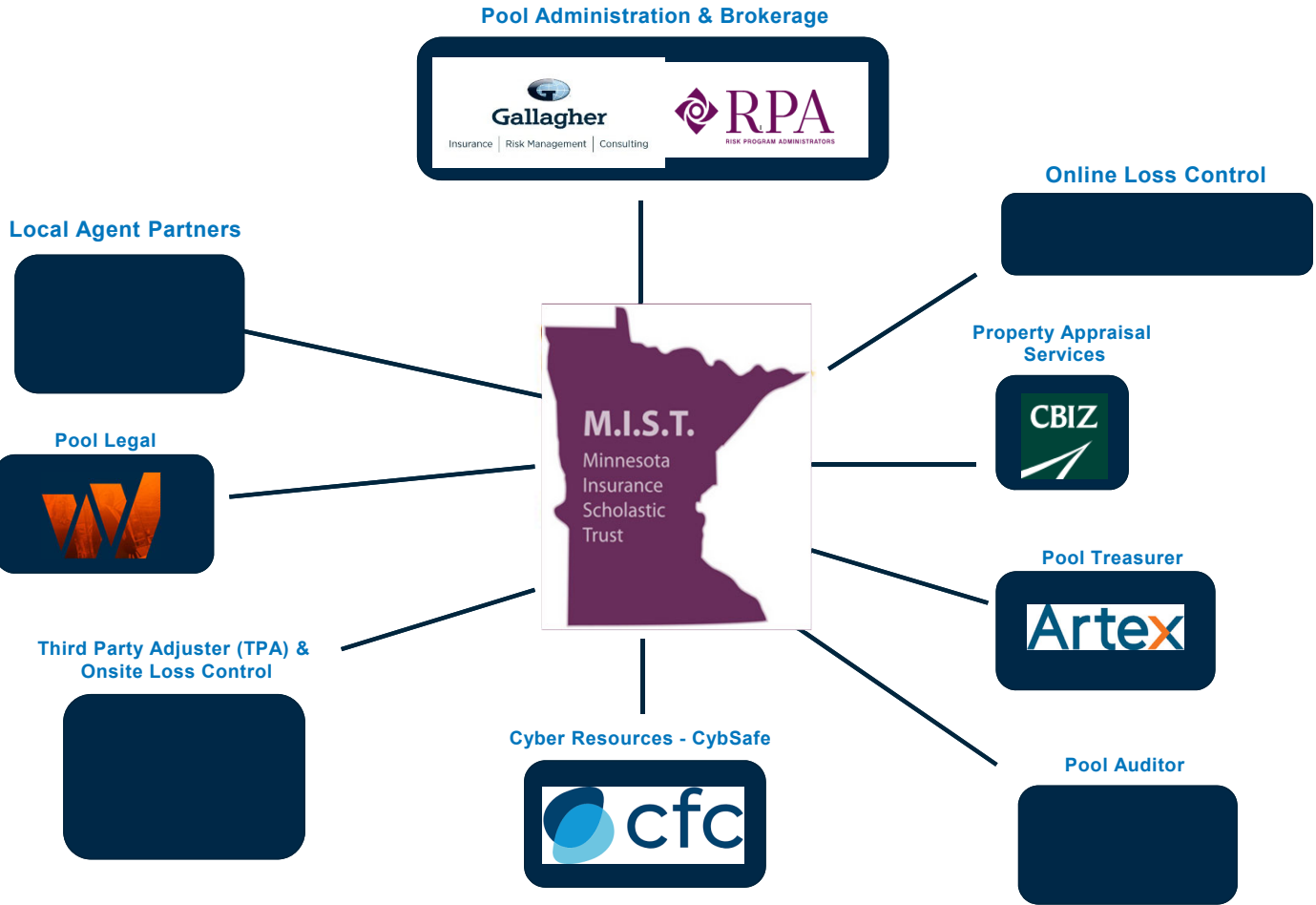
Feb, March, April, May



- Coordinated 2 Executive Committee meetings
- Reviewed online Questionnaires/Changes and followed up with members regarding outstanding information missing as well as supplemental applications.
- Prepared renewal submissions to the marketplace
- Met with carriers to discuss 2023-2024 targets
- Prepared and submitted renewal requests to carriers for P&C
- Prepared and submitted renewal requests to carriers for E&O and Crime
- Prepared Property/Casualty Renewal proposal for Executive Committee Meeting
- Compiled Property/Casualty data and submitted it to Casualty Actuarial Consultants for preparation of the program actuarial report, funding levels and premium allocations
- Prepared and set up meeting packets for Board meetings and full membership meetings
- Attending AGRIP – Association of Governmental Risk Insurance Pools
- Worked with MIST Treasurer Artex to finalize 2023-2024 Operating Budget
- Negotiated renewal terms and conditions with carriers
- Place Builders Risk Policy for Members as Needed
- Reviewed, responded and subsequently issued Certificates of Insurance on behalf of MIST Members.
- Reviewed and answered coverage questions from MIST Members
- Reviewed contracts as needed for members
- Settlement Requests sent out for claims
- Secured vendor renewal contracts for 2023 renewal
- Negotiated discounted pricing on cyber loss control – Secure Halo



MIST Partners





Minnesota Insurance Scholastic Trust

2023-2024 Property / Casualty Renewal

MIST Members

| |
|---|
| New Prague Area Schools 721 |
| Austin Public Schools 492 |
| Winona Area Public Schools 861 |
| Park Rapids Area Schools 309 |
| Maple Lake Public Schools 881 |
| MACCRAY Public School District 2180 |
| ACGC Public Schools 2396 |
| Albert Lea ISD 241 |
| Barnum Public Schools 91 |
| Belle Plaine Public Schools 716 |
| Breckenridge Public Schools 846 |
| Eastern Carver County Schools 112 |
| Edina Public Schools 273 |
| Elk River Area School District 728 |
| Fillmore Central School District 2198 |
| Grand Rapids ISD 318 |
| Greenway Public Schools 316 |
| Hastings Public Schools 200 |
| LeSueur-Henderson Public Schools 2397 |
| New London Spicer Schools 345 |
| South St. Paul ISD 6 |
| SouthWest Metro 288 |
| St Louis Park Public Schools 283 |
| Waconia Independent School District 110 |
| Watertown-Mayer Public School 111 |
| White Bear Lake 624 |



26 Member Districts



MIST Statistical Renewal Information



| | 2022-2023 | 2023-2024 | % Change |
|-----------------------------|------------------------|------------------------|--------------|
| Members | 26 | 26 | |
| Total Insured Values | \$5,598,215,788 | \$7,345,215,788 | 31.2% |
| Student Count | 89,949 | 91,348 | 1.6% |
| Vehicle Count | 763 | 735 | -3.7% |



* Property Valuation



Minnesota Insurance Scholastic Trust

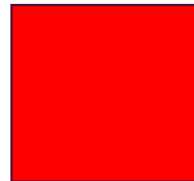
State of the Insurance Marketplace



State of the Insurance Marketplace in one Slide



- **Property**
- **Property Valuations**



Extremely Hard Market: Rates increasing, terms eroding, shrinking capacity. (If you get something good take it and run)

- **General Liability & Abuse**
- **Auto**
- **Excess Liability**
- **Pollution**



Hard Market: Challenging renewals. General rate increase but options and coverage readily available.

- **Cyber**



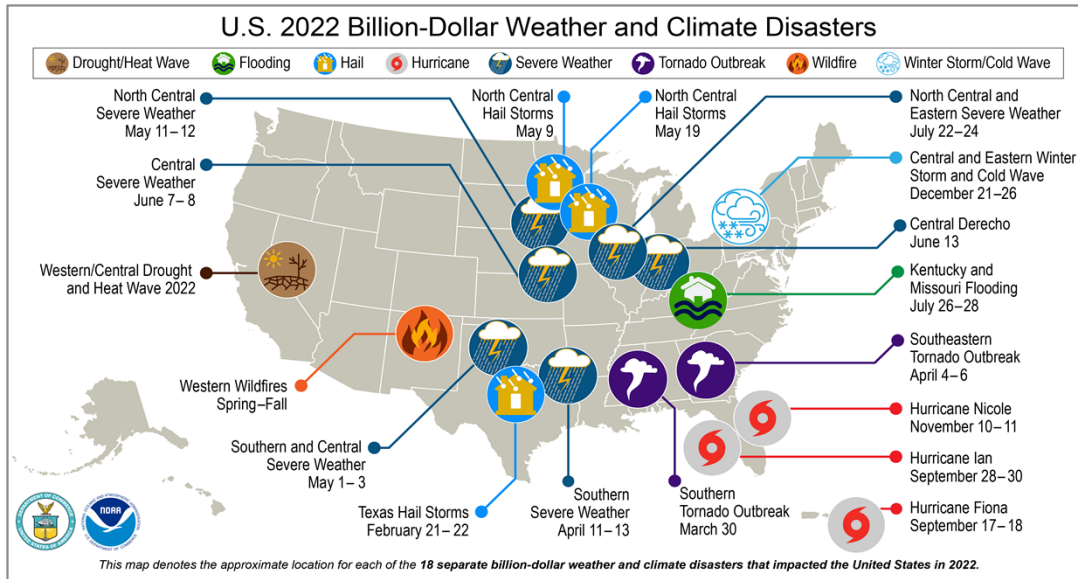
Soft/Softening: Carriers compete for MIST's business. We can drive down rates and costs. In some cases market is still hard but shows dramatic signs of improvement (Cyber)

Key Driver #1: Frequency & Severity of Losses



Continued Trend of Severe Weather :

- Global Insured Losses from Natural Disasters topped **\$165B in 2022 – 3rd costliest year on record**
 - Ian tied for the 2nd strongest hurricane on record
 - Winter Freeze – December 25, 2022
 - (Major impacts on 1.1, reinsurance treaties)
- Severe Convective Storms (SCS) one of the main drivers of the above losses now that % deductibles have been applied on coastal risks
- Primary insurers are looking to pass off more risk to Midwest insureds by adding percentage deductibles for secondary perils such as Hail/Tornado/Flood/Etc. (1-3%) and cosmetic roof exclusions
- Insureds with losses will see larger rate increases than those with clean losses



1980-2022 United States Billion-Dollar Weather and Climate Disasters (CPI-Adjusted)

| EVENT COST | | EVENT COUNT | |
|----------------|---------------|----------------|------------|
| 2017 | \$373.2 | 2020 | 22 |
| 2005 | \$352.5 | 2021 | 20 |
| 2022 | \$165.0 | 2022 | 18 |
| 2021 | \$155.3 | 2017 | 18 |
| 2012 | \$150.3 | 2011 | 18 |
| 2020 | \$114.3 | 2018 | 15 |
| Average | \$57.6 | Average | 7.9 |

Source: National Oceanic and Atmospheric Administration (NOAA).

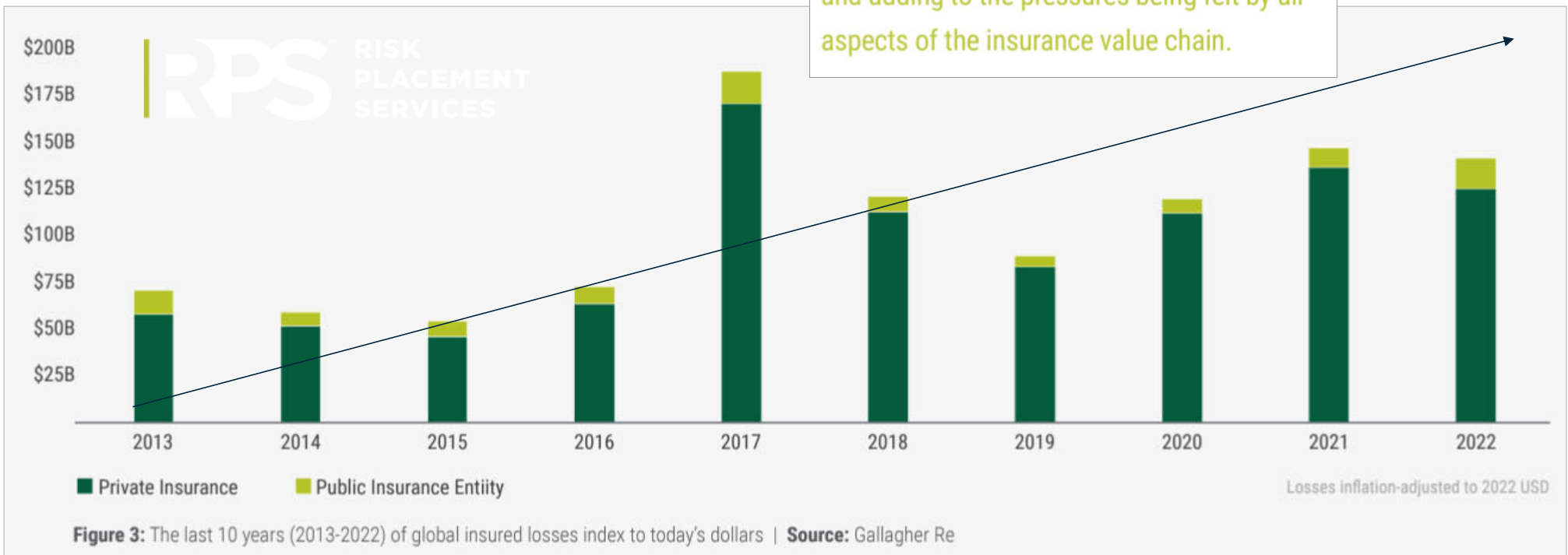


State of the Insurance Marketplace

10 year look back



The US property market finds itself in turbulent times, with a number of internal and external factors affecting market dynamics and adding to the pressures being felt by all aspects of the insurance value chain.



Key Driver #2: Reinsurance Scarcity



January Renewals See Hardest Property Catastrophe Reinsurance Rates in Generation

By L.S. Howard | January 4, 2023



APCIA Says Property Insurance Market 'Hardest in a Generation'

By Jim Sams | March 29, 2023



BUSINESS INSURANCE

RISK MANAGEMENT WORKERS COMP INTERNATIONAL RESEARCH & REPORTS PEOPLE

[Risk Management](#)

Property reinsurance rate hikes reach high double-digits

[Matthew Lerner](#)

April 03, 2023

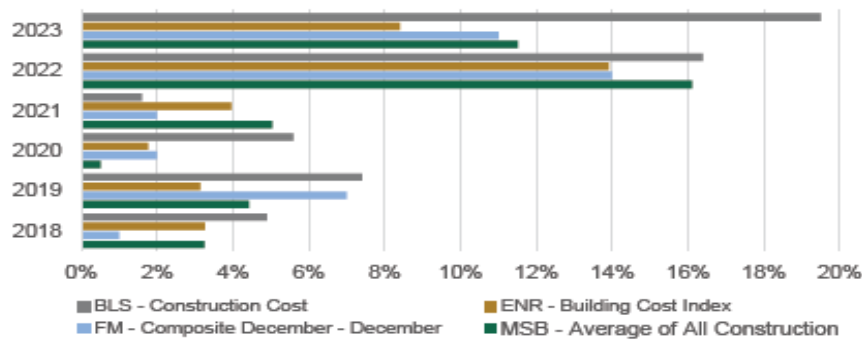
Key Driver #3: Property Valuations



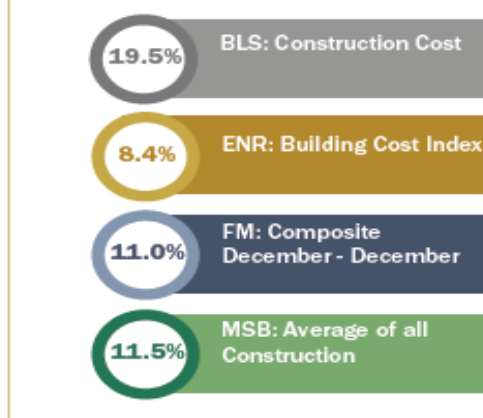
Inflation and Valuation

- Persistently high inflation has driven up replacement costs. Supply chain challenges impacting downtime and business income losses. Current CPI – Inflation: 6-7%
- Focus on accurate building values for all insureds across all sectors, not just the public sector

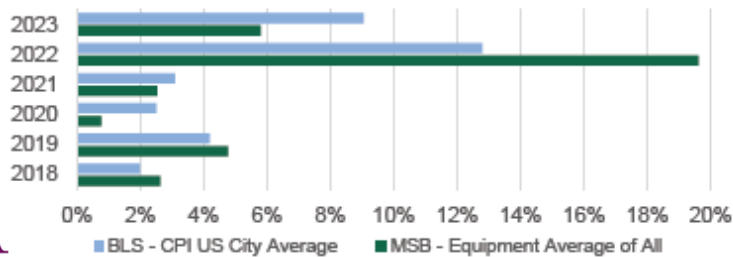
Construction Cost Trends January Yearly



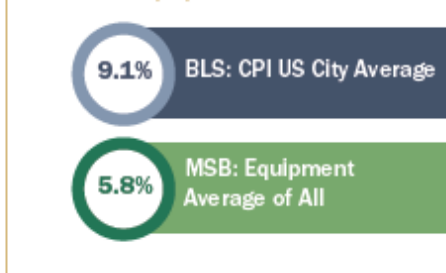
2023 Construction Cost Trends



Equipment Cost Trends January Yearly



2023 Equipment Cost Trends



Sources
 Marshall & Swift/CoreLogic - Quarterly Cost Indexes
 FM Global - Cost Trends - Industrial Buildings
 US Bureau of Labor Statistics - Consumer Price Index
 Engineering News-Record
 Risk Management Solutions

General Liability & School Board Legal Liability



Liability:

- Loss trends continuing to increase albeit at slower rate than property.
- Social inflation driving higher nuclear verdicts for liability and sexual abuse claims.
- Continued underwriting focus on sexual abuse, frequency and severity continue to increase.
- General Liability and School Board Legal are both difficult and see rising premium costs in the neighborhood of 5-20%+ depending on a variety of factors such as loss experience and jurisdiction.
- Higher Excess Limits are still most challenging.

SBLL/IEP:

- Influx of claims coming in from pent up COVID-19 closures/slowdown like many other lines of coverage.
- Employment practices activity continues to increase across all sectors and all regions
- Costs and deductibles still seeing increase across the board, retro dates continues to be an underwriting focus



Other Challenging Lines of Coverage



Automobile:

- Claims back to pre-pandemic levels
- Driver shortage – quality of drivers
- Focus on “Drop of and Pick Up” Process
- Lost costs continue to rise with each auto accident
 - Material, Labor and Supply Shortage continue to be a challenge
 - Higher Liability Settlements during economic downturns
- Rate per auto continues to increase, deductibles are rising
- Inflation & social inflation continue to have a major impact on auto renewals:
 - ✓ New Technologies making it more expensive to repair
 - ✓ Distracted driving – i.e. Cell Phones
 - ✓ Jurisdiction of insured losses – Increased claim costs on litigation environment
 - ✓ Out of state travel continues to be a concern of underwriters

Cyber: The Pleasant & Somewhat Unexpected Surprise

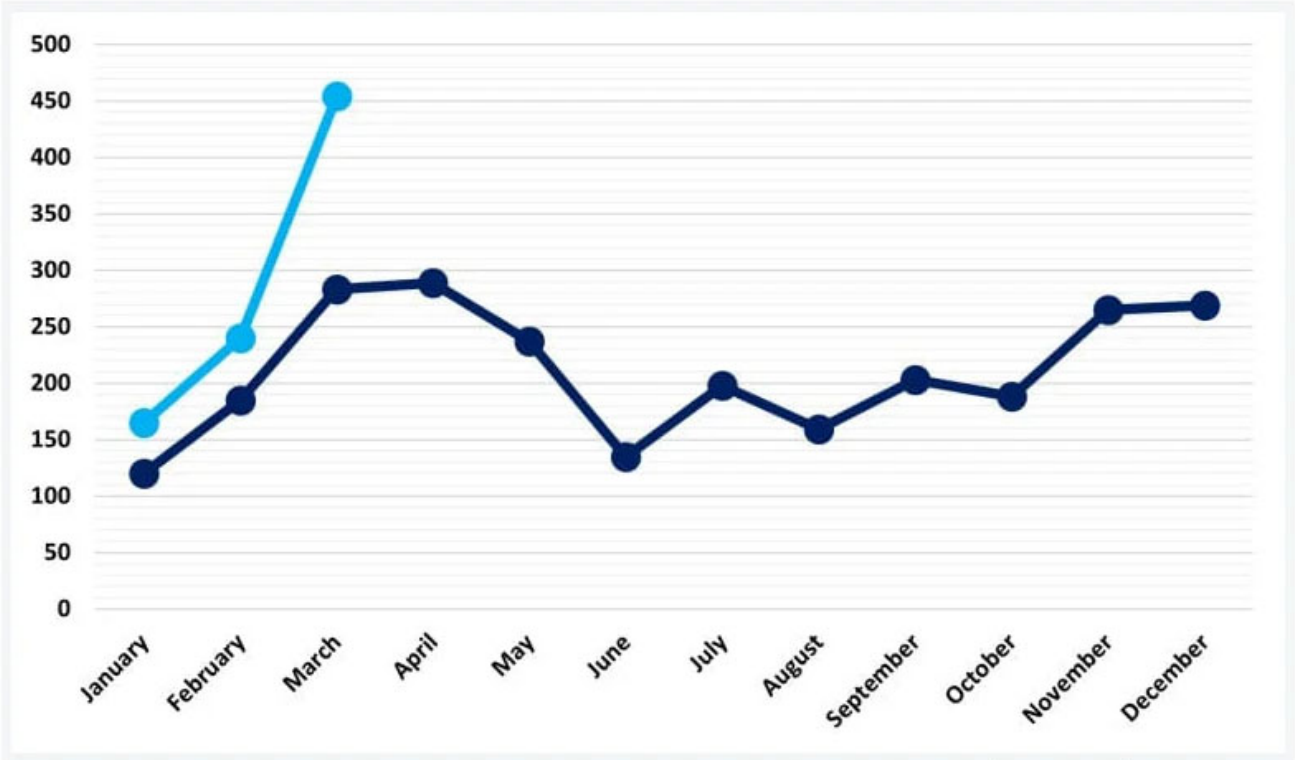


- K-12 Cyber Market has stabilized however we believe this may be temporary. Market has potential to change quickly.
- Capacity has returned however the market softening says more about where rates and deductibles are now vs 3-4 years ago. Carriers now see profit potential returning.
- Insureds with losses will see higher rates than insureds with clean loss experience
- Schools have been forced to improve:
 - ✓ Training Employees/Phishing Emails
 - ✓ MFA for Email
 - ✓ Endpoint Detection
 - ✓ Penetration Testing
- War in Ukraine helping us? Unintended positive effects for cyber attack?
- Carrier Competition has pushed competitive renewals for K-12 sooner than anticipated for **more Favorable K-12 Risk**

Cyber Attacks Continues – 2022 vs 2023



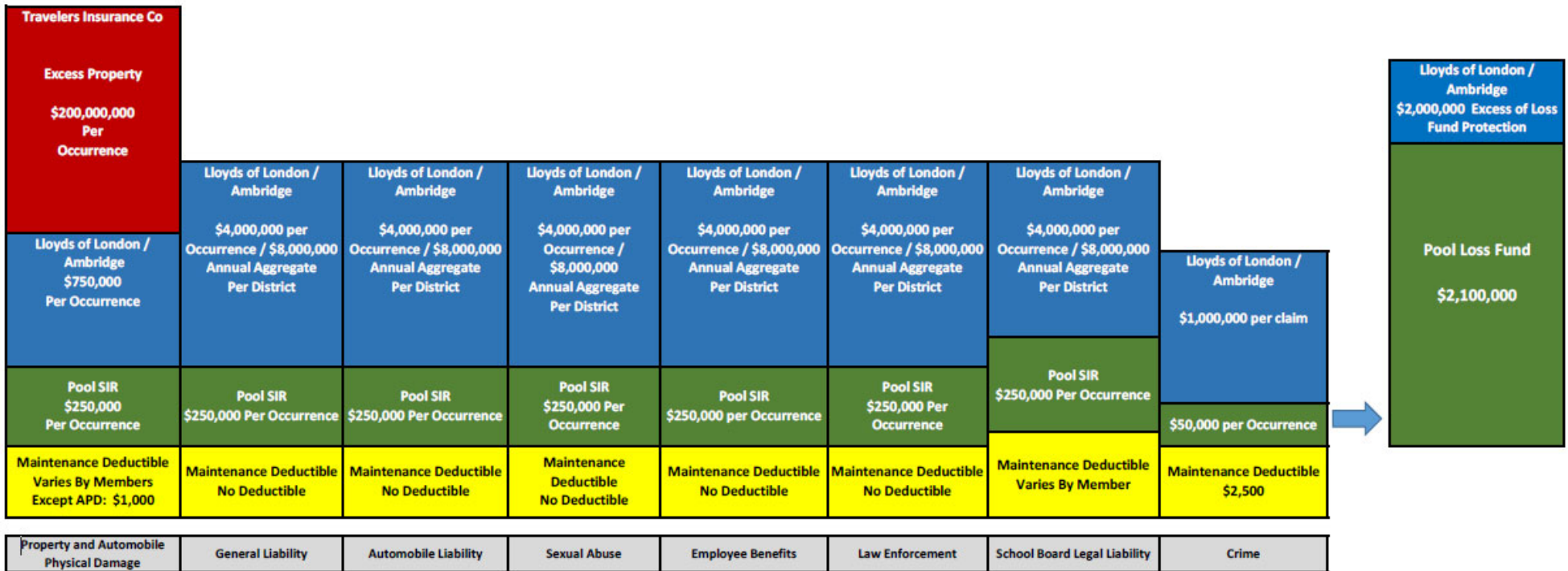
2 MIST Districts had Cyber Claims in 2022-23



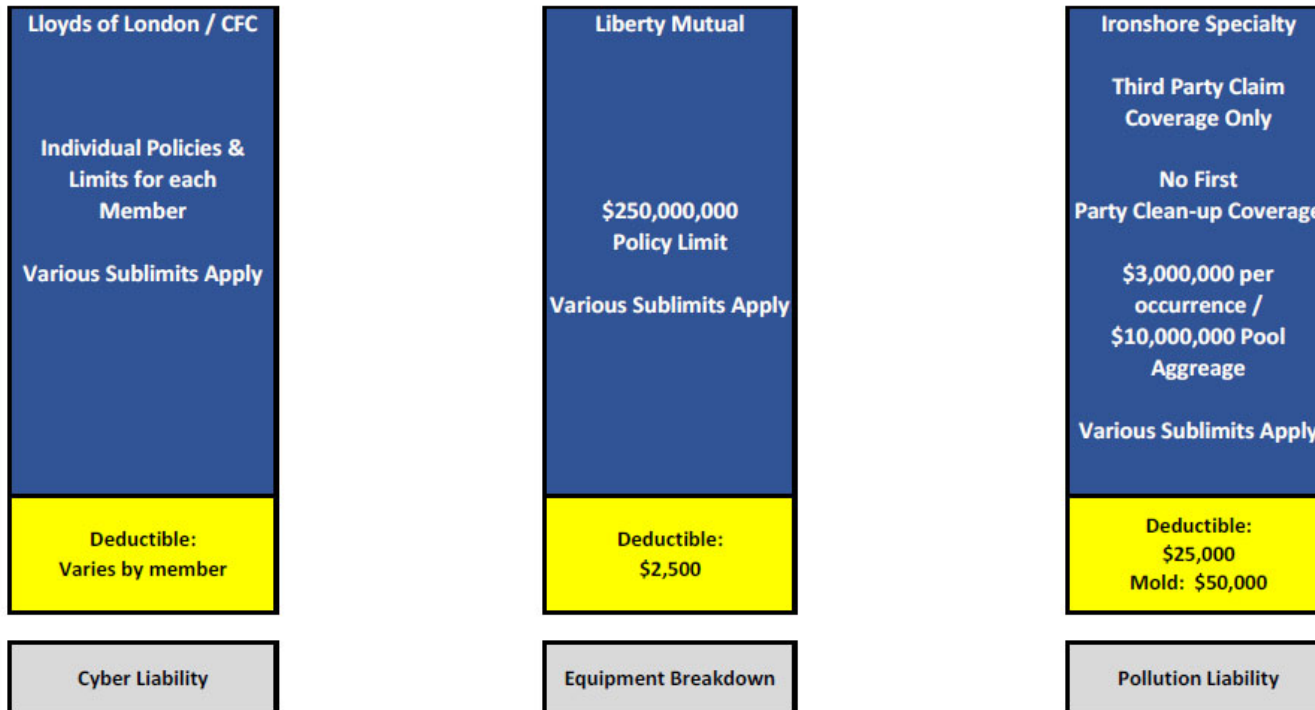
Monthly ransomware attack graph, dark blue: 2022, light blue: 2023 (NCC Group)

Property/Casualty Program Structure

Property & SBLL Maintenance Deductible Tiered by TIV 2023-2024



MIST First Dollar/Traditional Policies 2023-2024



- (1) Various deductibles/sub-limits by district apply.
- (2) * Individual policy, individually underwritten, individual limits of liability



Key Meeting Takeaways



- MIST is still more competitive than the open marketplace with better coverage terms & deductibles
 - MIST continues to grow and expect to continue to add new members through 2023/2024.
 - Expect to continue to increase net position.
 - **No % Wind/Hail deductibles for MIST, which are becoming the norm in MN outside of MIST. (Example Next slide)**
 - No roof restrictions on coverage, no change in terms and conditions
 - Over 75% of increase this renewal cycle is pure exposure increases due to building value inflation.
 - Less than a quarter is true rate increase.
 - Competitive Cyber Renewal even with recent claims from several members.
- MIST has confidence going forward on valuations. Our members are properly protected from a large loss which is the reason for insurance in the first place.
- MIST provides renewal Numbers Early. Many districts outside of MIST won't have renewal figures until late May or even June due to difficult market conditions.
- **You Have a HOME in MIST.**



How do % wind/hail deductibles work?



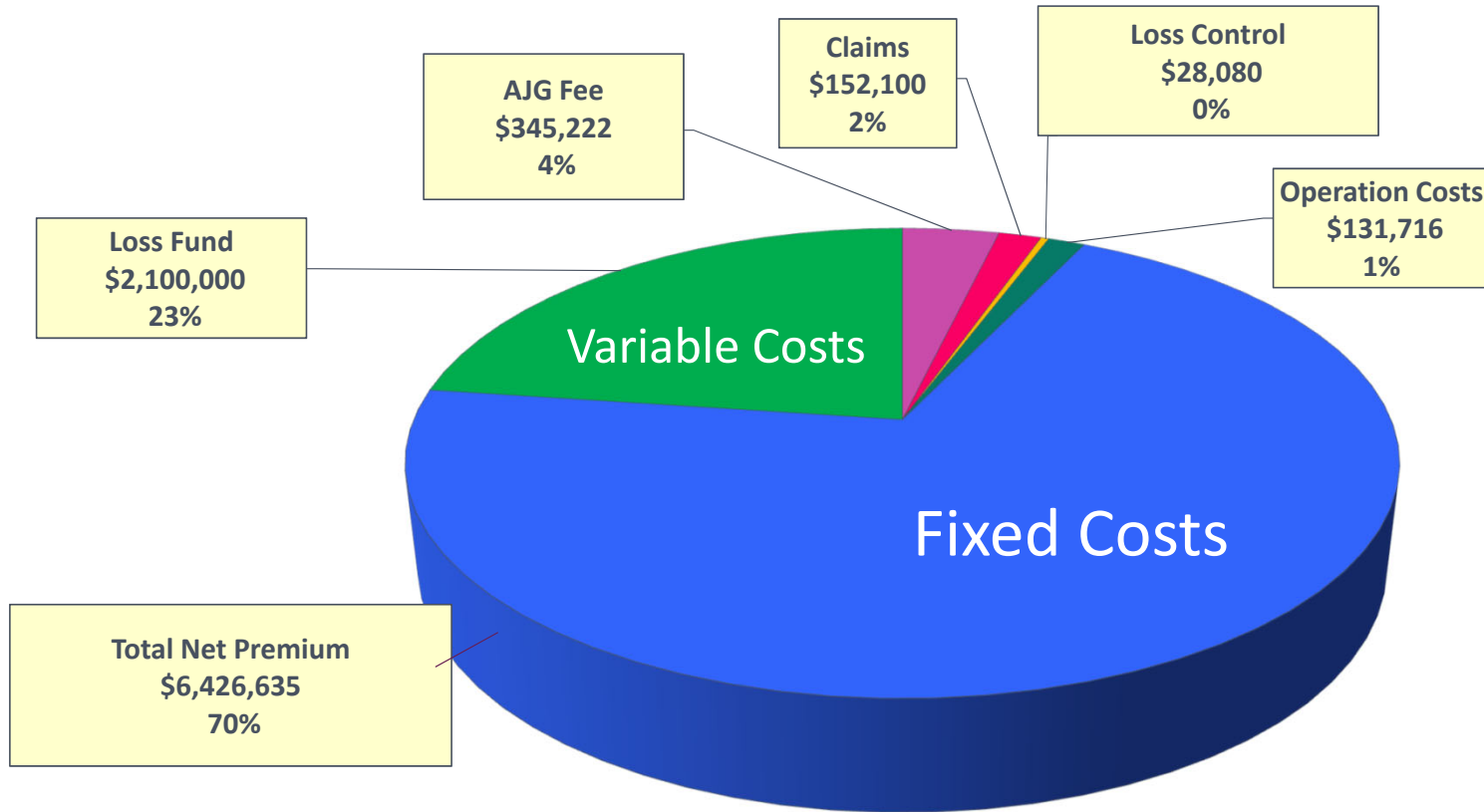
We are seeing a lot of standard market carriers adding % wind/hail deductibles. We feel that most districts don't have a strong understanding of what this means to them in the event of a loss:

Example:

- MIST Average Location is valued at \$40,000,000
- Percentage applies to the value of building/contents that incurred the loss
- 3% wind/hail deductible of this location would be \$1,200,000
- 1% wind/hail deductible of this location would \$400,000

MIST DOES NOT HAVE % Wind/Hail Deductibles

2023-2024 Property/Casualty Renewal



23% Variable Costs 77% Fixed Costs

Excludes taxes and fees





Minnesota Insurance Scholastic Trust

Allocation Methodology Review

Byron Given & Jack Kurcab

Allocation Methodology



PACKAGE AND LOSS FUND:

- Package and loss fund are allocated by the MIST actuary for current members.
- New members are quoted for the package & loss Fund based on quotes provided by the carrier.

BOILER, EXCESS PROPERTY, POLLUTION

- These lines of coverage are rated on a rate per \$100 of total insured value (TIV) for each member.
- New members are quoted at that same rate.
- The rate is the same for all members.

Allocation Methodology



CYBER LIABILITY

- Individual policies. Premium is designed as a group purchase but each member's premium will vary subject to their individual security protocols and claims.

TPA COSTS – GALLAGHER BASSETT

- All members receive the same % increase or decrease for TPA costs.
- New members are charged in accordance with the per unit claim charge listed in the TPA contract applied to their 5-year average.

LOSS CONTROL

- This service is charged on a flat fee of \$1,120 per visit. Additional units can be purchased.

Allocation Methodology



GALLAGHER ADMINISTRATIVE AND BROKERAGE FEE

- All members receive the same % increase or decrease for administrative/brokerage costs.
- New members are charged on a rate per student.

OPERATION FEE

- All members receive the same % increase or decrease for operation costs.
- New members are charged for operation costs based on a fixed % applied to their total contribution.
- The percentage is calculated at each renewal by dividing the operation cost into the total program contribution.



Minnesota Insurance Scholastic Trust

Actuarial Debit/Credit Review

Byron Given & Jack Kurcab

MIST Debit / Credit for Package Premium & Loss Fund



1. # of loss years used? 5 loss years

2. Which loss years are used?

Only completed loss years are used, so that would include:

7/1/17-18, 7/1/18-19, 7/1/19-20, 7/1/20-21, 7/1/2021-22 in the current analysis.

New Members (joining on 7/1/18 or after) – Receive no debit credit allocation for first year (receive % change of pool renewal for Package/Loss Fund)

3. What Cap (if any) is applied to individual members large losses (not the debit/credit price cap). For example, a P/C loss gets capped at the \$250,000k SIR for P/C (if that option is chosen)?

The losses in the credit-debit process are capped at the corresponding SIR – \$250,000, if recommended program is selected.

4. Are loss years used in the debit/credit calculation for years members were not in MIST or are only the years they participated in MIST used for the calculation?

Yes, non-MIST loss years are used in the process to complete the 5 years analysis.

5. What is the weighting of the debit credit system?

Similar to last year, we use a weighting of 80% loss and 20% exposure.

Property/Casualty Loss Fund & Package Premium Allocation

Actuarial Analysis - Allocation Methodology (Debit/Credit System)



- **Exposures used:**
 - Total Insured Values, Student Count, Vehicle Count
- **The actuarial approach to allocating the Pool's Loss Fund and Package premium will further allow MIST members to control their own destiny and pricing**
 - Expiring debit/credit is 15% for both the Package Premium & Loss Fund
 - Renewal debit/credit is the same 15% debit/credit for Package Premium and Loss Fund

MINNESOTA INSURANCE SCHOLASTIC TRUST (MIST)
MAY 2023



 **GALLAGHER BASSETT**
GUIDE. GUARD. GO BEYOND.

AGENDA

- Partnership review
- Claim trends – 5 years
- Litigation Management savings
- Misconduct reporting reminder
- GB Team

PARTNERSHIP REVIEW

- Partnership began: 7/1/2013

- Total claims handled: 960

- Total incurred: \$15,975,931

- Litigation: 4%

- Average cost per claim

- Auto: \$5,199

- GL: \$12,183

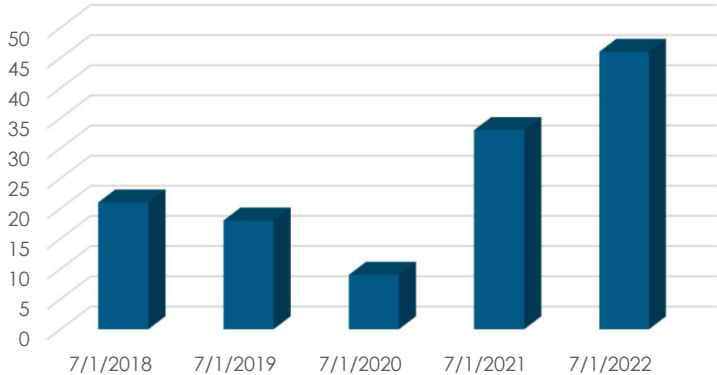
- Professional: \$36,977

- Property: \$23,840

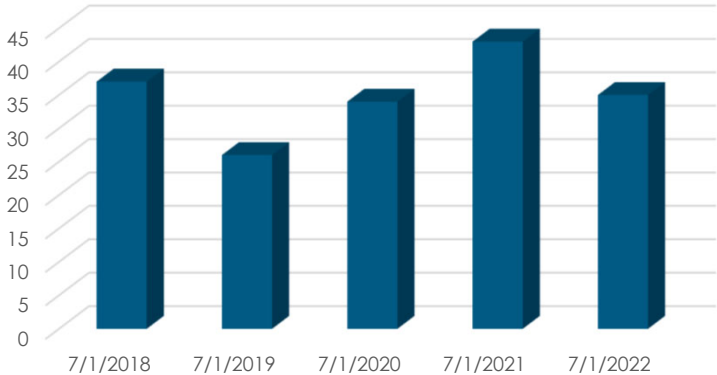
*Numbers are uncapped

5-YEAR CLAIM FREQUENCY TRENDS BY COVERAGE

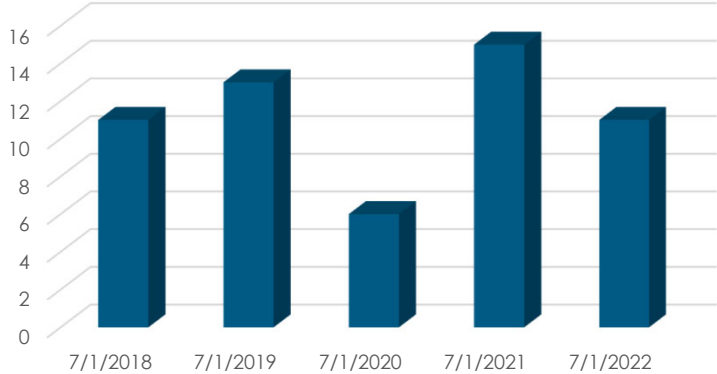
AUTO



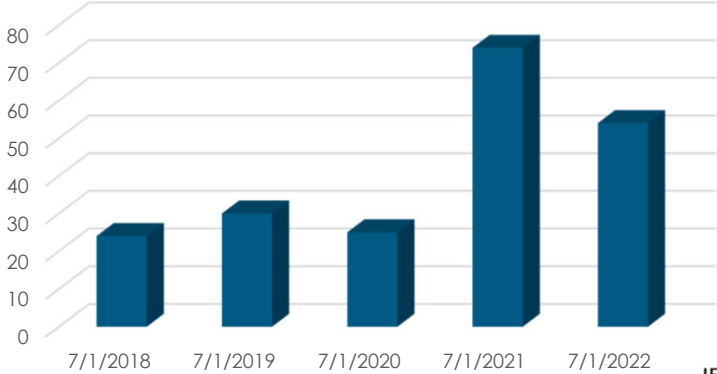
GL



SBLL/EPLI

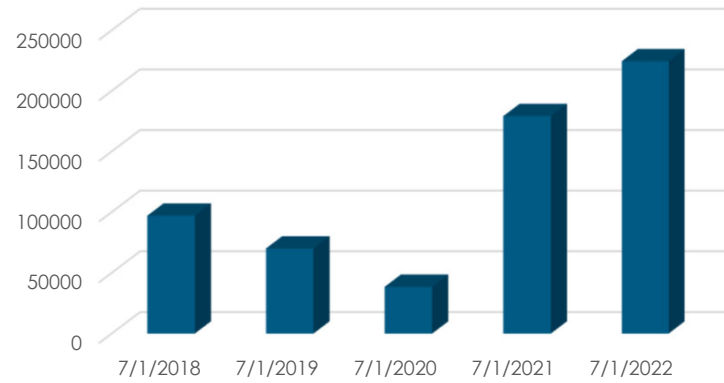


PROPERTY

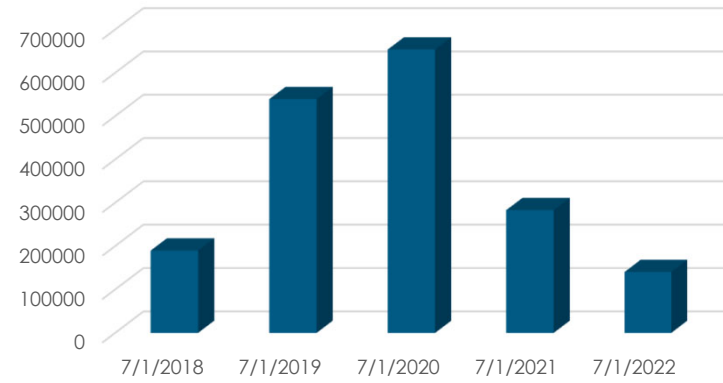


5-YEAR CLAIM SEVERITY TRENDS BY COVERAGE

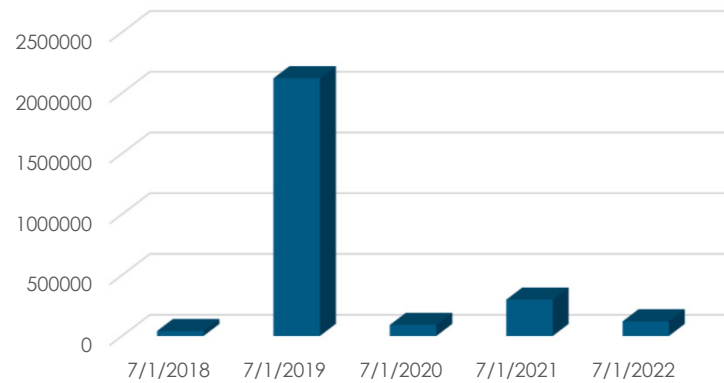
AUTO



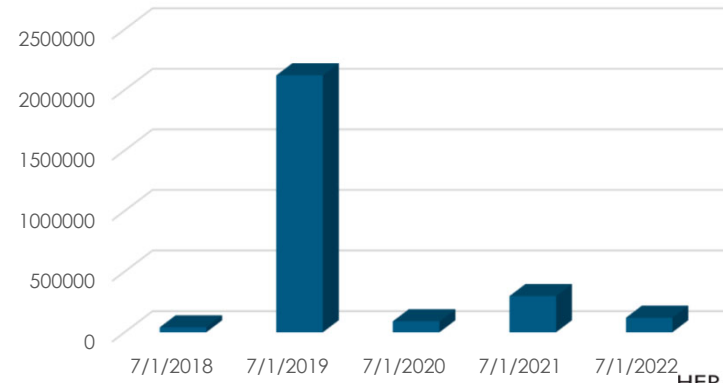
GL



SBLL/EPLI



PROPERTY



GBLMP SAVINGS OF ALMOST \$18K OVER THE LAST 12 MONTHS, WHICH IS ALMOST A 5% SAVINGS

| Period | Billed Fees, Expenses, and Taxes | Net Adjustments | % Savings |
|------------------|----------------------------------|-------------------|--------------|
| 4/1/22-6/30/22 | \$66,033 | (\$3,817) | 5.78% |
| 7/1/22-9/30/22 | \$95,990 | (\$8,923) | 9.30% |
| 10/1/22-12/31/22 | \$240,057 | (\$4,390) | 1.83% |
| 1/1/23-3/31/23 | \$66,665 | (\$646) | 0.97% |
| Total | \$468,745 | (\$17,776) | 4.47% |

180 DAY REPORTING REQUIREMENT

Sexual abuse and harassment incidents must be reported **as quickly as possible**
MIST's carrier partner requires notice within 180 days of the District's **discovery** of an
incident

"Discovery" Policy Definition:

Any actual, attempted or pending alleged SEXUAL ABUSE shall exist when any of the NAMED ASSURED'S officials, trustees, directors, officers, partners or any person that the NAMED ASSURED has made responsible in an official capacity to prevent SEXUAL ABUSE has taken receipt, learned, or in the exercise of reasonable care should have known:

- (a) of any lawsuit alleging SEXUAL ABUSE; or
- (b) of any demand for money or services based upon alleged SEXUAL ABUSE; or
- (c) of any criminal investigation or prosecution alleging SEXUAL ABUSE; or
- (d) of any allegation by an alleged victim or by a parent or guardian of the alleged victim of SEXUAL ABUSE, whether the allegation is or is not accompanied by a demand for money or services; or
- (e) of any report from any other person alleging SEXUAL ABUSE, and a person or group designated by the NAMED ASSURED to investigate the allegation has investigated and as a result of the investigation has recommended that any action of any kind be taken by or on behalf of the NAMED ASSURED with respect either to the alleged ASSURED or the alleged victim; or
- (f) that the alleged ASSURED has admitted to acts of SEXUAL ABUSE.

GALLAGHER BASSETT TEAM

Client Services

Emily Wells
Director, Client Services
Direct Dial: 630-285-3857
Emily_Wells@gbtpa.com

Kay Jones
Assistant Vice President
Direct Dial: 303-663-0891
Kay_Jones@gbtpa.com

School Board Legal Liability Downers Grove, IL

Karleigh Cherveney
Assistant Branch Manager
Direct Dial: 630-282-8546
Karleigh_Cherveney@gbtpa.com

*Lisa Brown
Supervisor
Direct Dial: 630-317-1654
Lisa_Brown@gbtpa.com

Danielle Tangorra
SBLL Resolution Manager
Direct Dial: 224-366-1567
Danielle_Tangorra@gbtpa.com

Auto Liability, GL, & Property Maple Grove, MN

Kevin Frommelt
Branch Manager
Direct Dial: 763-416-8901
Kevin_Frommelt@gbtpa.com

Scott Nielsen
Supervisor
Direct Dial: 763-416-8938
Scott_Nielson@gbtpa.com

Lindsay Heidt
Sr. Resolution Manager - Lead
Direct Dial: 763-416-8972
Lindsay_Heidt@gbtpa.com

Melanie Greening
Sr. Resolution Manager
Direct Dial: 763-416-8943
Melanie_Greening@gbtpa.com

Meaghan Haack
Sr. Resolution Manager
Direct Dial: 763-416-8933
Meaghan_Haack@gbtpa.com

***Denotes change**



 **GALLAGHER BASSETT**
GUIDE. GUARD. GO BEYOND.

THANK YOU!



Minnesota Insurance Scholastic Trust

Cybersecurity Loss Control - Secure Halo

Byron Given & Jack Kurcab



What would Cybersecurity Consulting encompass?

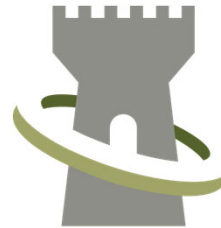


8 hours or 4 hours of Cybersecurity consulting per member district

- Secure Halo will provide a retainer of up to eight (8) hours of cybersecurity consulting services to discuss specific questions, interests, needs of each district. Retainer hours allow each district to utilize Secure Halo expertise more in depth to increase overall cyber security posture across the district.

Cybersecurity Topics may include, but not limited to:

1. Information Security Governance
2. Cybersecurity Baseline Assessment
3. Third Party Risk Management
4. Information Security Documentation Review
5. Risk Assessment/Risk Register
6. Compliance Readiness
7. Network Security
8. Vulnerability Management
9. Configuration Management
10. Secure Remote Connectivity
11. Incident Response Development
12. Insider Threat
13. Training and Awareness



SECURE HALO

SECURING THE ENTERPRISE

A Mission Critical Partners Company

Dedicated MIST Cyber Loss Control

Supplementing Insurer Provided Resources



- ✓ Ensure continued Cyber Best Practice and Underwriting Compliance
 - Identifies Vulnerabilities Contributing to a specific district's IT infrastructure
- ✓ Better Risk Profile = Better Cyber Renewals.
- ✓ To be the best market risk, underwriters look for dedicated loss control program
- ✓ Cyber claims continue to occur... as of today.
- ✓ **Be proactive, continue to ADAPT**

MIST membership will be surveyed after the meeting
on their interest in Secure Halo





Dedicated MIST Cyber Loss Control Program

Two (2) Options – 4 Hours Per Member or 8 Hours Per Member

| Service Plan | Description | Timeline | Price Per District* | Total Price for Cooperative* |
|---------------------|---|----------|---------------------|------------------------------|
| Option #1 – 4 Hours | Cyber Security Consulting 4 Hours per District | One Year | \$990 | \$25,740 |
| Option #2 – 8 Hours | Cyber Security Consulting 8 Hours per District | One Year | \$1,830 | \$47,580 |

**Includes \$150 Administration Fee per district*

Future MIST Meeting Dates



Full Membership Mid-Year Meeting

December 20, 2023 – 10:00 AM – Virtual

Thank you MIST Members!





2023-2024 Pricing Sheet

Minnesota Insurance Scholastic Trust (MIST)
Edina Public Schools
 Member Cost Comparison

| Coverage Description | Additional Description | 2022-2023 Costs | 2023-2024 Costs | % Change |
|------------------------------|--|---------------------|---------------------|--------------|
| Fixed Costs: | | | | |
| Package Policy | includes Property, General Liability, Auto Liability & Physical Damage, Crime, Excess Liability, EBL, Law, Abuse (3) | \$148,690.98 | \$208,587.49 | |
| Package Premium Debit/Credit | (1) | -4% | 15% | |
| Excess Property | | \$241,289.80 | \$354,342.92 | |
| Boiler & Machinery | | \$12,608.00 | \$17,160.00 | |
| Pollution Liability | | \$8,953.15 | \$13,298.28 | |
| Risk Management Services Fee | | \$31,660.00 | \$32,609.80 | |
| Claims Administration Fee | | \$5,287.00 | \$8,684.00 | |
| Loss Control Services | | \$1,080.00 | \$1,120.00 | |
| Operating Expense Fee | (2) | \$9,227.00 | \$11,860.36 | |
| Cyber Liability | (3) | \$54,346.00 | \$54,353.60 | |
| Total Fixed Cost | | \$513,141.93 | \$702,016.45 | 36.8% |

| | | | | |
|---|-----|---------------------|---------------------|--------------|
| Variable Costs: | | | | |
| Loss Fund | | \$162,995.00 | \$216,768.00 | |
| Loss Fund Debit/Credit | (1) | -8% | 15% | |
| Total Program Contribution on a Maximum Cost Basis | | \$676,136.93 | \$918,784.45 | 35.9% |

| Statistical Information | | | | |
|--------------------------------|--|---------------|---------------|-------|
| Total Insured Values | | \$506,862,799 | \$687,777,381 | 35.7% |
| Total Student Count | | 8,600 | 8,600 | 0.0% |
| Total Vehicles | | 93 | 93 | 0.0% |

| | | | | |
|---------------------|--|---------------------|---------------------|--------------|
| Total Costs: | | \$676,136.93 | \$918,784.45 | 35.9% |
|---------------------|--|---------------------|---------------------|--------------|

(1) Please note the actuarial debit/credit system for the 2023-2024 renewal is based upon your districts exposures as well as the previous 5 years of loss history (excluding the current year).

(2) Your 2022-2023 Operating budget will differ from what you were charged. In 2021, we charged for Secure Halo, which the pool did not purchase. We credited the members back in 2022 for the overage. This does not apply to new members as of 2022 or returning members that put in their notice.

(3) 2023 Member Specific Deductibles:

Property: \$50,000

Student Board Legal Liability: \$30,000

Cyber Liability: \$25,000

III.B. Raptor Visitor Management System



Board Meeting Date: June 20, 2023

Title: Raptor Visitor Management

Type: Consent

Presenter(s): Natasha Monsaas-Daly, Director of District Media and Technology Services

Description: In an ongoing effort to increase our physical security posture, EPS will be purchasing Raptor Visitor Management System. Through Raptor, we will have a better handle on who is in our buildings at all times. This will aid us in a rapid response should a crisis occur on Campus. Raptor will screen visitors, contractors, and volunteers prior to their entrance in the building.

Visitors will be asked to provide an ID, such as a driver's license. Alternate forms of ID are acceptable. Raptor screens visitors against a national sexual offender registry. It also screens against predetermined flags in our student information system.

Raptor only collects name and date of birth information from the ID. No other information is utilized and data is not shared with any outside agency or 3rd party. Raptor does not store data beyond the necessary information to access the building.

Once approved, Raptor issues a badge that identifies the visitor (with a picture), the date, and the purpose of the visit. This process will only be used for visitors obtaining entry into our building. Raptor will not be used for those simply dropping off items or picking up items.

We continue to evaluate and improve upon our security within Edina Public Schools. Raptor adds to our layered security approach.

Recommendation: Approve purchase of Raptor Visitor Management System.

Desired Outcome(s) from the Board: Approve purchase of Raptor Visitor Management System.

Attachment(s): Information below

Introduction

Strategy C: Foster Positive Learning Environment and Whole Student Support. EPS fosters a caring school environment where students feel safe physically and emotionally, in order to be fully engaged in their academic, personal, and social growth.

Edina Public Schools is committed to the safety and security of all individuals on each of our campuses. As a part of our layered security approach, we are continually auditing, reviewing, and analyzing ways to increase our physical security posture. Ensuring safety in schools supports strategy C of the district's strategic plan.

What is Raptor

Raptor Visitor Management allows buildings to monitor who is in the building. Buildings can monitor visitors, contractors, students, staff, and volunteers. When a visitor wants to access a building, they scan an ID in the Raptor system. A designated employee will receive instant alerts, as visitors are scanned against the national sex offender registry, as well as custom student information flags. Multiple forms of ID are accepted. Once a visitor receives access to the building, the Raptor software will print a badge with a photo, date, time, and location. Schools and district office staff are able to generate reports in real-time. This is useful at the time of a crisis situation.

Raptor does not store or share personal user data. Raptor only collects the information necessary to scan against the sex offender registry and our student information system.

Raptor provides a seamless way for buildings to monitor visitor access on a regular basis, as well as at the time of a crisis. Access to buildings is a key to our multi-layered security approach.

Implementation Timeline

The goal is to implement Raptor at all sites for the first day of the 2023-2024 school year. This will require summer work with our buildings to ensure implementation and protocols are in place. We hope to have a soft launch of the tool during our Get Connected and Open House days. This will allow families to try the software and the new visitor management experience prior to the first time they are accessing the building.

What Does this Mean for Visitors

All visitors to Edina Public School buildings, including the district office, will need a valid ID. Generally acceptable forms of ID include: driver's license, state issued ID card, passport, permanent resident card, green card, Native American tribal document, or any other official government document that includes the visitor's first name and date of birth.

Visitors without a valid ID may be manually entered into the system for screening purposes.

Visitors with an alert in the system may not be allowed access to the school building. Procedures and processes will be developed to train and support staff with this process.

Common Questions

- What data is collected and stored with this system?
 - The scanner captures a photo, first name, last name, date of birth, and last four digits from an ID. The digits are collected only to differentiate two or more visitors from the system.
 - Data is not sold, shared, or released to any outside organization.

- Is a full criminal background check being performed.
 - No. Raptor only scans against the sex offender registry and the district's student information system.

- What if a visitor forgets an ID?
 - If you've already scanned your ID once, the system will still have your information and can print a badge.
 - Visitors can also be entered manually. As a regular practice, this is not encouraged.
 - Visitors will still need to provide their first name, last name, and date of birth.

IV. Discussion

IV.A. Update on Cooperation Agreement - School
Board Elections

Speaker(s): City-
District Committee



Board Meeting Date: 6/20/2023

Title: City-District Committee Update

Type: Discussion

Presenter(s): City-District Committee

Description: An update of the current status of the cooperation agreement between the City of Edina and School Board will be given to the board.

Recommendation: There is no recommendation at this time.

Desired Outcomes from the Board: Clarity around board thoughts regarding status of cooperation agreement.

Attachment(s): There are no attachments.

IV.B. Proposed Board Retreat Agenda and Goal
Setting Process

Speaker (s) :
Governance Committee



Board Meeting Date: 6/20/2023

Title: Proposed Board Retreat Agenda and Goal Setting Process

Type: Discussion

Presenter(s): Governance Committee

Description: The board will be having its annual summer retreat on July 11th and 12th at Arneson Acres. The attached document is an overview of a proposed agenda, as well as an overview of the proposed process to set board goals for the 2023-2024 school year.

Recommendation: There is no recommendation at this time.

Desired Outcomes from the Board: Review the attached document and provide feedback on both the retreat agenda and the goal setting process.

Attachment(s): Retreat agenda and goal setting process.

Proposed Retreat Agenda

Arneson Acres, July 11th and 12th

July 11th

5:00-6:00 - Team building activity and celebration of school year

6:00-7:30 - Dr. Stanley presents her proposed goals for 2023-2024 school year; status of strategic plan; growth expectations

7:30-9:00 - Discussion about strategic plan and board recommendation on updates/changes to strategic plan

July 12th

5:00-7:30 - Board goal discussion for 2023-2024 school year

7:30-8:30 - Discussion about board expectations for calendar updates/process from administration and board expectations about what administration should bring to board meetings to present to board

8:30-9:00 - Review and update board norms

Proposed Board Goal Setting Process

For our retreat, the following process will be utilized to establish the 2023-2024 board goals.

Step One:

Each board member will review and analyze the following information:

- 1) 2022-2023 board goals and status update,
- 2) the Superintendent status reporting of the current implementation of the district's 2020-2027 strategic plan and the recommended superintendent goals for the 2023-2024 school year,
- 3) feedback gathered from students and staff via the 2023 Panorama survey,
- 4) feedback from the district's 2023 Spring Core Planning Meeting including the strategic plan monitoring report,
- 5) data from the fall data metrics report,
- 6) analysis of items suggested from Board members, students and community members as board/district initiatives, and
- 7) current workload of the Board and the district (see appendix A).

Step Two:

1. Each board member will bring to the retreat their top two to three ideas for board goals or topics for goals for the 2023-2024 school year.
2. All suggested goals will be listed, consolidated (if necessary) and prioritized for the 2023-2024 school year.
3. If necessary, the governance committee will refine and wordsmith goals for board approval.
4. A consolidated/refined list of goals will go to discussion at the July 17th board meeting and approval at August 14th board meeting.

Appendix A:

Current Board and District Initiatives/Priorities: This list does not contain every initiative the district and sites are working on, but major initiatives that will/could come before the board.

1. Further implementation of the preK-12 literacy plan; continued LETRS training; continued training on utilization of FastBridge,
2. Curriculum roll-outs: Design of secondary language arts; elementary science kick-off.
3. Equity framework: Further development and training on this,
4. Programming enhancements: Implementation of dual-immersion programming; continuation of STEAM programming, Pathways Phase 1 implementation,
5. Implementation of district assessment plan: CoGat testing,
6. District marketing plan,
7. Board LAC plan implementation,
8. Board liaison role implementation
9. Any board work that is uncompleted/still in progress, i.e., financial literacy work session

—

Annual Items:

1. District budget
2. Board policies
3. World's Best Workforce
4. District scorecard
5. New course proposals

—

Board Parking Lot (this list is likely not exhaustive and can be added to):

1. International student travel
2. Board committee structure/analysis
3. Follow-up on MLL plan
4. Budget update
5. School climate concerns
6. "Green" initiatives and board involvement

V. **Action**

V.A. Revised Budget - Fiscal Year 2023

Speaker (s) : Mert
Woodard, Director of
Business Services



Board Meeting Date: 6/20/2023

Title: Revised Budget – Fiscal Year 2023

Type: Action

Presenter(s): Mert Woodard, Director, Business Services

Description: The fiscal year 2023 budget was developed using the most reliable information available at the time of adoption in June 2022. As superior information and data becomes available, the District is able to make adjustments to reflect the actual operations of the District. Expected enrollment versus actual enrollment, projected staffing vs actual staffing, fluctuations to supply and material costs, and the timing of expenditures made against federal awards are just a few of the countless budgetary variables that can change during a school year.

The District administration has reviewed the current year actual activity in detail and recommends the following budget revisions:

| | Preliminary Budget | | Revised Budget | |
|----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | Revenue | Expenditures | Revenue | Expenditures |
| General Fund | \$ 134,097,137 | \$ 135,810,322 | \$ 142,729,203 | \$ 143,624,315 |
| Food Service Fund | 3,401,260 | 3,564,985 | 3,551,199 | 3,650,721 |
| Community Service Fund | 9,721,217 | 9,100,780 | 10,571,317 | 10,565,023 |
| Building Construction Fund | 27,799,689 | 23,190,945 | 23,039,499 | 17,476,685 |
| Debt Service Fund | 15,124,452 | 15,227,578 | 15,300,530 | 15,227,578 |
| Total | \$ 190,143,755 | \$ 186,894,610 | \$ 195,191,748 | \$ 190,544,322 |

Recommendation: Approved the budget revisions recommended by the District administration for the fiscal year ended June 30, 2023.

Desired Outcomes from the Board: Compliance with Minn. Stat. § 123B.77 Subd. 4 and District Policy 701.

Attachments:

1. Revised Budget – Fiscal Year 2023

Independent School District No. 273 - Edina Public Schools
 Governmental Fund Balance Activity
 For the Fiscal Year Ended June 30, 2023

| | FY2022 Beginning Fund Balances | FY2023 Final Budgeted Revenues | FY2023 Final Budgeted Expenditures | FY2023 Final Budgeted Transfers In/(Out) | FY2023 Ending Fund Balances |
|---|--------------------------------------|--------------------------------------|--|--|-----------------------------------|
| General Fund: | | | | | |
| Nonspendable - Inventory | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nonspendable - Prepaid Items | 2,925 | - | 2,925 | - | - |
| Total Nonspendable | 2,925 | - | 2,925 | - | - |
| Restricted - Achievement & Integration | - | 1,236,170 | 1,260,357 | 24,187 | - |
| Restricted - Alternative Program | - | 303,037 | 413,979 | 110,942 | - |
| Restricted - Area Learning Center | - | 213,634 | 224,003 | 10,369 | - |
| Restricted - Basic Skills | - | 832,375 | 1,809,767 | 977,391 | - |
| Restricted - Capital Projects Levy | - | 6,997,669 | 6,997,669 | - | - |
| Restricted - Gifted & Talented | - | 121,865 | 1,360,214 | 1,238,349 | - |
| Restricted - Learning & Development | - | 1,918,433 | 1,918,433 | - | - |
| Restricted - Long-Term Facilities Maintenance | 378,883 | 9,522,450 | 8,567,333 | (1,334,000) | - |
| Restricted - Medical Assistance | - | 50,000 | 50,000 | - | - |
| Restricted - Operating Capital | 2,308,787 | 4,248,069 | 3,970,018 | - | 2,586,838 |
| Restricted - Safe Schools | - | 471,748 | 728,240 | 256,492 | - |
| Restricted - Staff Development | 119,566 | 1,287,273 | 1,269,465 | - | 137,374 |
| Restricted - Student Activities | 26,404 | - | - | - | 26,404 |
| Total Restricted | 2,833,640 | 27,202,724 | 28,569,479 | 1,283,731 | 2,750,616 |
| Committed Fund Balance | 1,098,955 | - | - | 1,132,726 | 2,231,681 |
| Assigned - Donations Carryover | 588,432 | 707,470 | 545,058 | - | 750,844 |
| Assigned - OPEB & Severance | 3,818,111 | - | - | - | 3,818,111 |
| Assigned - Unemployment Insurance | - | - | - | - | - |
| Assigned - Paid Family Medical Leave | - | - | - | - | - |
| Assigned - Class Size Reduction | - | - | - | - | - |
| Assigned - Literacy Training | - | - | - | - | - |
| Assigned - Literacy and Virtual Programming | 1,044,193 | - | 1,044,193 | - | - |
| Assigned - Subsequent Years' Budget | 544,625 | - | 544,625 | - | - |
| Total Assigned | 5,995,361 | 707,470 | 2,133,876 | - | 4,568,955 |
| Unassigned Fund Balance | 8,191,141 | 114,819,009 | 111,584,035 | (3,750,457) | 7,675,658 |
| Total General Fund | \$ 18,122,022 | \$ 142,729,203 | \$ 142,290,315 | \$ (1,334,000) | \$ 17,226,910 |
| Food Service Fund: | | | | | |
| Nonspendable - Inventory | 21,658 | - | 21,658 | - | - |
| Restricted - Food Service | 1,277,651 | 3,551,199 | 3,629,063 | - | 1,199,787 |
| Total Food Service Fund | 1,299,309 | 3,551,199 | 3,650,721 | - | 1,199,787 |
| Community Service Fund: | | | | | |
| Restricted - Community Education | 1,217,494 | 9,633,354 | 9,566,955 | - | 1,283,893 |
| Restricted - Early Childhood Family Education | 299,864 | 683,496 | 713,321 | - | 270,039 |
| Restricted - School Readiness | 46,105 | 254,467 | 284,747 | - | 15,825 |
| Restricted - Community Service | 48,867 | - | - | - | 48,867 |
| Total Community Service Fund | 1,612,330 | 10,571,317 | 10,565,023 | - | 1,618,624 |
| Building Construction Fund: | | | | | |
| Restricted - Building Construction | 4,583,781 | 12,500 | 3,267,511 | - | 1,328,770 |
| Restricted - Long-Term Facilities Maintenance | 6,830,125 | 6,548,837 | 6,606,500 | 1,334,000 | 8,106,462 |
| Restricted - Building Projects Funded by COPs | - | 15,144,162 | 7,602,674 | - | 7,541,488 |
| Total Building Construction Fund | 11,413,906 | 21,705,499 | 17,476,685 | 1,334,000 | 16,976,720 |
| Debt Service Fund: | | | | | |
| Restricted - Debt Service | 3,451,305 | 15,300,530 | 15,227,578 | - | 3,524,257 |
| Total Debt Service Fund | 3,451,305 | 15,300,530 | 15,227,578 | - | 3,524,257 |
| Total Governmental Funds | \$ 35,898,872 | \$ 193,857,748 | \$ 189,210,322 | \$ - | \$ 40,546,298 |

General Fund
For the Fiscal Year Ended June 30, 2023

| | <u>Preliminary</u> | <u>Revised</u> |
|--|-----------------------|-----------------------|
| Revenue | | |
| Local Sources | | |
| Property Taxes | \$ 41,314,578 | \$ 47,723,980 |
| Investment Earnings | 283,695 | 598,647 |
| Other | 2,599,946 | 3,693,487 |
| State Sources | 86,342,099 | 86,913,483 |
| Federal Sources | 3,556,818 | 2,731,866 |
| Total Revenue | \$ 134,097,137 | \$ 141,661,463 |
| Expenditures | | |
| Current | | |
| Administration | 3,595,122 | 4,466,141 |
| District Support Services | 2,593,803 | 2,522,344 |
| Elementary and Secondary Regular Instruction | 61,709,174 | 62,067,789 |
| Vocational Education Instruction | 422,070 | 436,799 |
| Special Education Instruction | 25,718,094 | 26,166,672 |
| Instructional Support Services | 7,997,956 | 12,229,853 |
| Pupil Support Services | 11,023,995 | 11,562,870 |
| Sites and Buildings | 10,071,125 | 9,825,390 |
| Fiscal and Other Fixed Cost Programs | 1,262,301 | 1,262,301 |
| Food Service | - | - |
| Community Service | - | - |
| Capital Outlay | 9,543,347 | 11,210,822 |
| Debt Service | | |
| Principal | 471,910 | 471,910 |
| Interest | 67,425 | 67,425 |
| Total Expenditures | \$ 134,476,322 | \$ 142,290,315 |
| Excess (Deficiency) of Revenue Over Expenditures | (379,185) | (628,852) |
| Other Financing Sources (Uses) | | |
| Proceeds From Bond Issuance | - | 1,067,740 |
| Transfers In | - | - |
| Transfers (Out) | (1,334,000) | (1,334,000) |
| Total Other Financing Sources (Uses) | \$ (1,334,000) | \$ (266,260) |
| Net Change in Fund Balances | \$ (1,713,185) | \$ (895,112) |

Food Service Fund
For the Fiscal Year Ended June 30, 2023

| | <u>Preliminary</u> | <u>Revised</u> |
|------------------------------------|---------------------|---------------------|
| Revenue | | |
| Local Sources | | |
| Investment Earnings | 14,915 | 14,915 |
| Other | 2,395,995 | 2,395,995 |
| State Sources | 164,237 | 164,237 |
| Federal Sources | 826,113 | 976,052 |
| Total Revenue | \$ 3,401,260 | \$ 3,551,199 |
| Expenditures | | |
| Current | | |
| Salaries | 421,591 | 421,591 |
| Employee Benefits | 113,560 | 113,560 |
| Purchased Services | 2,746,316 | 2,832,052 |
| Supplies and Materials | 172,136 | 172,136 |
| Other Expenditures | 36,382 | 36,382 |
| Capital Outlay | 75,000 | 75,000 |
| Total Expenditures | \$ 3,564,985 | \$ 3,650,721 |
| | | |
| Net Change in Fund Balances | \$ (163,725) | \$ (99,522) |

Community Service Fund
For the Fiscal Year Ended June 30, 2023

| | <u>Preliminary</u> | <u>Revised</u> |
|------------------------------------|---------------------|----------------------|
| Revenue | | |
| Local Sources | | |
| Property Taxes | 1,089,859 | 1,087,837 |
| Other | 7,942,965 | 8,701,212 |
| State Sources | 688,393 | 695,268 |
| Federal Sources | - | 87,000 |
| Total Revenue | \$ 9,721,217 | \$ 10,571,317 |
| Expenditures | | |
| Current | | |
| Salaries | 5,104,363 | 5,981,174 |
| Employee Benefits | 1,090,682 | 1,248,662 |
| Purchased Services | 2,059,977 | 2,511,162 |
| Supplies and Materials | 573,958 | 594,817 |
| Other Expenditures | 214,800 | 129,800 |
| Capital Outlay | 57,000 | 99,408 |
| Total Expenditures | \$ 9,100,780 | \$ 10,565,023 |
| | | |
| Net Change in Fund Balances | \$ 620,437 | \$ 6,294 |

Building Construction Fund
For the Fiscal Year Ended June 30, 2023

| | <u>Preliminary</u> | <u>Revised</u> |
|--|----------------------|----------------------|
| Revenue | | |
| Local Sources | | |
| Property Taxes | 5,539,402 | - |
| Investment Earnings | 20,000 | 20,000 |
| Other | 111,372 | - |
| State Sources | - | - |
| Federal Sources | - | - |
| Total Revenue | \$ 5,670,774 | \$ 20,000 |
| Expenditures | | |
| Current | | |
| Salaries | 2,223,123 | - |
| Employee Benefits | 266,366 | - |
| Purchased Services | 5,870,364 | 2,308,534 |
| Supplies and Materials | 3,000 | - |
| Other Expenditures | - | - |
| Capital Outlay | 14,828,092 | 15,168,151 |
| Total Expenditures | \$ 23,190,945 | \$ 17,476,685 |
| Excess (Deficiency) of Revenue Over Expenditures | (17,520,171) | (17,456,685) |
| Other Financing Sources (Uses) | | |
| Proceeds From Bond Issuance | 5,265,000 | 6,541,337 |
| Proceeds from Certificates of Participation | 15,529,915 | 15,144,162 |
| Transfers In | 1,334,000 | 1,334,000 |
| Transfers (Out) | - | - |
| Total Other Financing Sources (Uses) | \$ 22,128,915 | \$ 23,019,499 |
| Net Change in Fund Balances | \$ 4,608,744 | \$ 5,562,814 |

Debt Service Fund
For the Fiscal Year Ended June 30, 2023

| | <u>Preliminary</u> | <u>Revised</u> |
|--|----------------------|----------------------|
| Revenue | | |
| Local Sources | | |
| Property Taxes | 15,044,488 | 15,044,488 |
| Investment Earnings | 79,964 | 79,964 |
| Other | - | - |
| State Sources | - | - |
| Federal Sources | - | - |
| Total Revenue | \$ 15,124,452 | \$ 15,124,452 |
| Expenditures | | |
| Debt Service | | |
| Principal | 8,015,000 | 8,015,000 |
| Interest | 7,202,578 | 7,202,578 |
| Fiscal and Other Charges | 10,000 | 10,000 |
| Total Expenditures | \$ 15,227,578 | \$ 15,227,578 |
| Excess (Deficiency) of Revenue Over Expenditures | (103,126) | (103,126) |
| Other Financing Sources (Uses) | | |
| Proceeds From Bond Issuance | - | 176,078 |
| Total Other Financing Sources (Uses) | \$ - | \$ 176,078 |
| Net Change in Fund Balances | \$ (103,126) | \$ 72,952 |

V.B. Preliminary Budget - Fiscal Year 2024

Speaker (s) : Mert
Woodard, Director of
Business Services



Board Meeting Date: 6/20/2023

Title: Preliminary Budget – Fiscal Year 2024

Type: Action

Presenter(s): Mert Woodard, Director, Business Services

Description: Minnesota Education Laws 2023 were used as the basis for building the fiscal year 2023-2024 budget which includes a 4.0% increase in the state basic education revenue formula, an increase to special education cross subsidy aid from 6.4% of the cross subsidy to 44.0%, and an increase to per pupil English Learner revenue from \$704 to \$1,228.

The District will also experience increase of \$229 per pupil in operating referendum authority and a 5.5% increase to the capital projects levy, directly proportional to the increase to the net tax capacity of the District. The development of the District's budget for the 2023-2024 school year, which was concluded before the end of the 2023 legislative session, includes approximately \$4.0M of cost containment measures. The cost containment measures include but are not limited to: the elimination of all non-special education paraprofessionals hired with one-time federal pandemic relief funds, the "right sizing" of licensed staff at the middle school level in accordance with established District class-size ratios, the elimination of certain central office administrative staff through attrition, and the indefinite deferral of certain capital purchases.

More details regarding the District's cost containment process can be found on the District's cost containment [website](#).

The District administration's recommended preliminary budget for the fiscal year ended June 30, 2024, is:

| | Preliminary Budget | |
|----------------------------|---------------------------|-----------------------|
| | Revenue | Expenditures |
| General Fund | \$ 154,449,311 | \$ 149,411,639 |
| Food Service Fund | 3,749,153 | 3,749,153 |
| Community Service Fund | 12,081,362 | 11,892,848 |
| Building Construction Fund | 6,642,886 | 17,092,568 |
| Debt Service Fund | 14,299,501 | 14,587,840 |
| Total | \$ 191,222,213 | \$ 196,734,048 |

Recommendation: Approve and adopt the District's recommended preliminary budget for the fiscal year ended June 30, 2024.

Desired Outcomes from the Board: Compliance with Minn. Stat. § 123B.77 Subd. 4 and District Policy 701.

Attachments:

1. Preliminary Budget Executive Summary – Fiscal Year 2024

Preliminary Budget Executive Summary

Dr. Stacie Stanley, Superintendent
Mert Woodard, Director of Business Services
Approved by the School Board on June 20, 2023

GUIDING PRINCIPLES

Vision

The vision of the Edina Public Schools is for each and every student to discover their possibilities and thrive.

Mission

Edina Public Schools is a dynamic learning community delivering educational excellence and preparing all students to realize their full potential.

Through academics, activities and opportunities, we encourage creativity, foster curiosity, and develop critical thinking skills. We support every student's educational journey by creating a caring and inclusive school culture that supports the whole student.

CORE VALUES

We are guided by our Core Values: Integrity, Compassion, Courage, Commitment, Appreciation, and Responsibility.

CORE BELIEFS

Academic Excellence: We believe each student deserves access to academic excellence which includes challenging and rich curricula, high expectations, and inspiring instruction that meets their individual needs.

Equity: We believe it is critical to eliminate barriers to success and provide the supports, opportunities and environments so all students can reach their full potential.

Family, School, & Community: We believe students learn best when students, families, educators, and the community partner to provide dynamic support and share responsibility for learning.

Healthy Learning Environment: We believe students thrive in a balanced, healthy environment that promotes the free exchange of ideas and support students' physical, social-emotional and intellectual needs.

Inclusion: We believe in the inherent dignity of all people, we celebrate individuality, and we value and appreciate diversity.

Life Skills: We believe that inspiring students to grow as critically thinking collaborative learners will prepare them to be productive, accountable, self-motivated, and responsible citizens.

Operational Excellence: We believe in high performance of governance, administration, and partnerships, and effective and efficient use of time, human, financial, and physical resources in support of the mission.

Professional Excellence: We believe our educators and staff are essential to student success. We value and support them in advancing strategic and innovative initiatives grounded in best practices.

School Board

Erica Allenburg, Chair
Term Expires: January 2026

Julie Greene, Vice Chair
Term Expires: January 2024

Janie Shaw, Treasurer
Term Expires: January 2024

Karen Gabler, Clerk
Term Expires: January 2026

Dan Arom, Assistant Clerk
Term Expires: January 2026

Michael Birdman, Assistant Treasurer
Term Expires: January 2026

Regina Neville, Director
Term Expires: January 2024

Stacie Stanley, Ex-Officio

GOVERNMENTAL FUND STRUCTURE

To understand this budget document, it is helpful to know that there are several legal restrictions on how school districts must spend and account for the public funds that they receive. Per state requirements and Generally Accepted Accounting Principles of the United States, Edina Public Schools separates its money into five major areas.

They are as follows:

General Fund

Used to account for the general operations of the school district. This fund includes salaries and benefits for teachers, principals, custodians, administrative support staff, paraprofessionals, and administrators; costs of supplies, textbooks, contracted services, utilities, repairs, equipment, and so on. This fund is also used for long-term facilities maintenance (LTFM) projects of less than \$2,000,000 per site and for the capital projects (technology) levy.

Food Service Fund

Used for all expenditures related to operating the District's cafeterias, including food, salaries, benefits, supplies, and equipment. Food Service revenues come primarily from the sale of meals to students and adults. Federal and state aid is also provided for meals served that qualify for reimbursement.

Community Services Fund

Used for expenditures related to community education programs such as Early Childhood Family Education, Adult Basic Education, Kids Club, youth enrichment classes, and Community Education Programs.

Community Services revenue primarily comes from fees charged for the programs and property tax revenue dedicated to community services.

Building Construction Fund

Used for expenditures of major building projects. Proceeds from sale of bonds authorized in an election or against lease levy authority are placed in this fund. This fund is also used for long-term facilities maintenance projects exceeding \$2,000,000 per site.

Debt Service Fund

Used to accumulate and account for resources that fund principal and interest payments on bonds sold to finance construction. These are akin to a homeowner's payments on a mortgage.

Why is this information important? It is important to understand the fund structure because, with very few exceptions, money cannot be transferred from one fund to another. For example, raising a la carte prices or Kids Club tuition is not a solution to a shortfall in the General Fund. Similarly, the resources of the Debt Service Fund or the Building Construction Fund cannot be used to pay teacher salaries.

EXPENDITURES BY PROGRAM

The school district budget consists of expenditures made for the following programs or activities:

Administration

Includes all costs for general administration, instructional administration and school site administration. This area also covers the school board, superintendent, principals, and directors.

District Support Services

Consists of activities related to general administrative support not listed above. This area covers federal programs, human resources, business and finance, government relations, school elections, and miscellaneous district administration not otherwise classified. Anticipated salary increases and district contingency reserves have temporarily been budgeted here.

Elementary and Secondary Regular Instruction

Elementary and secondary regular instruction consists of all activities dealing directly with the teaching of pupils, the interaction between teachers and pupils in the classroom and co-curricular activities at the kindergarten, elementary and secondary levels.

Vocational Instruction

Courses and activities which develop knowledge, skills, attitudes and behavioral characteristics for students seeking career exploration and employability.

Special Education Instruction

Activities providing learning experiences for pupils of any age who, because of certain atypical characteristics or conditions, need, or who would benefit by, educational programs different from those provided pupils in regular or vocational instruction.

Instructional Support Services

Activities for assisting the instructional staff with the content and process of providing learning experiences for pupils in kindergarten through twelfth grade.

Pupil Support Services

Includes all services provided to pupils who do not qualify to be classified as instructional services (counseling/guidance, health, psychological, social work, transportation, other).

Sites and Buildings

Activities related to the acquisition, operation, maintenance, repair and remodeling of all physical plant, facilities and grounds of the school district.

Fiscal and Other Fixed Costs

Fiscal and fixed cost activities that are not recorded elsewhere.

EXPENDITURES BY OBJECT

The school district budget consists of the following types of expenditures:

Salaries

Regular salary related to personnel positions, extra-curricular assignments, overtime, and substitute costs.

Benefits

Health, dental, life, long-term disability, workers' compensation, state pension contributions, retirement plans and recording of post-retirement benefits for current employees.

Purchased Services

Includes consultants, postage, insurance, repair and maintenance services, utilities, student transportation contracts, travel/conferences, payments to other districts, and tuition.

Supplies and Materials

Textbooks, instructional supplies, office and custodial supplies, computer software, and related copier costs. Includes fuel for buildings.

Capital

Building construction, equipment, facility repair and maintenance, vehicles, and computer equipment.

Debt Service

Principal and interest payments for bonded debt.

Other Expenditures

All other expenditures not classified in other areas.

Preliminary Budget Executive Summary

2023-2024 School Year

BUDGET OVERVIEW

The annual budget presented includes an analysis of the actual financial results of the District at June 30, 2022, and the anticipated positions at June 30, 2023 and June 30, 2024.

The budget was prepared in accordance with generally accepted accounting principles and [District Policy 701](#), and includes all governmental funds. Each fund is treated as an independent accounting entity in accordance with statutory requirements and state and federal regulations governing the District's various revenue sources and expenditure purposes.

Minnesota Education Laws 2023 were used as the basis for building the fiscal year 2023-2024 budget which includes a 4.0% increase in the state basic education revenue formula, an increase to special education cross subsidy aid from 6.4% of the cross subsidy to 44.0%, and an increase to per pupil English Learner revenue from \$704 to \$1,228.

| Preliminary Budget Fiscal Year 2024 | | |
|--|-----------------------------|---------------------------------|
| FY2022 Audited Results | FY2023 Revised Budget | FY2024 Preliminary Budget |

Revenues:

| | | | |
|-------------------------------------|-----------------------|-----------------------|-----------------------|
| General Fund | \$ 135,580,160 | \$ 142,729,203 | \$ 154,449,311 |
| Food Service | 4,125,876 | 3,551,199 | 3,749,153 |
| Community Service | 9,000,853 | 10,571,317 | 12,081,362 |
| Debt Service | 15,069,351 | 15,300,530 | 14,299,501 |
| Total Excluding Construction | 163,776,240 | 172,152,249 | 184,579,327 |
| Construction | 10,439,858 | 23,039,499 | 6,642,886 |
| Total Revenue | \$ 174,216,098 | \$ 195,191,748 | \$ 191,222,213 |

Expenditures:

| | | | |
|-------------------------------------|-----------------------|-----------------------|-----------------------|
| General Fund | 135,021,744 | 143,624,315 | 149,411,639 |
| Food Service | 3,748,409 | 3,650,721 | 3,749,153 |
| Community Service | 8,077,495 | 10,565,023 | 11,892,848 |
| Debt Service | 14,933,009 | 15,227,578 | 14,587,840 |
| Total Excluding Construction | 161,780,657 | 173,067,637 | 179,641,480 |
| Construction | 6,418,595 | 17,476,685 | 17,092,568 |
| Total Expenditures | \$ 168,199,252 | \$ 190,544,322 | \$ 196,734,048 |

For presentation purposes, throughout this document other financing sources are depicted as revenues and other financing uses as expenditures

The District will also experience increase of \$229 per pupil in operating referendum authority and a 5.5% increase to the capital projects levy, directly proportional to the increase to the net tax capacity of the District.

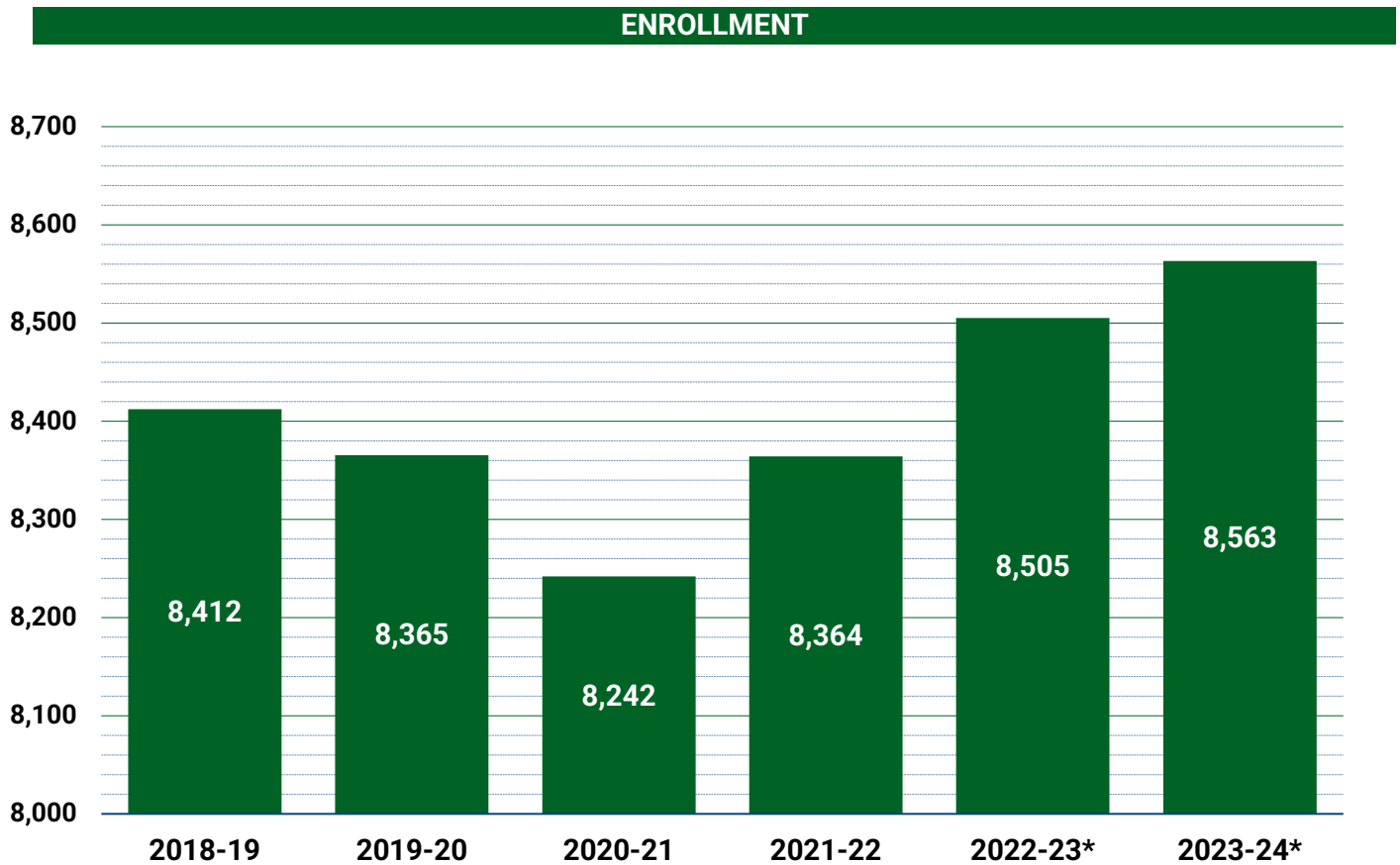
The development of the District's budget for the 2023-2024 school year, which was concluded before the end of the 2023 legislative session, includes approximately \$4.0M of cost containment measures. The cost containment measures include, but are not limited to: the elimination of all non-special education paraprofessionals hired with one-time federal pandemic relief funds, the "right sizing" of licensed staff at the middle school level in accordance with established District class-size ratios, the elimination of certain central office administrative staff through attrition, and the indefinite deferral of certain capital purchases. More details regarding the District's cost containment process can be found on the District's cost containment [website](#).

A school district's budget can be one of the most meaningful and useful documents in public school administration. It depicts the priorities of the School Board, administration, staff, and community. The District's preliminary budget for fiscal year (FY) 2024 is shown above.

ENROLLMENT HISTORY & PROJECTIONS

During the 2020-21 school year the District, like many throughout the state and country, experienced a one-time enrollment loss due to the COVID-19 pandemic. In 2023-24 enrollment of Edina Public Schools is projected to grow by 58 students to 8,563.

Enrollment projections are based upon demographic studies commissioned by the District that are updated periodically and monitored regularly in regards to capacity at school buildings. The District's last demographic and enrollment study was completed in January 2022. The District is in the process of refreshing the study to better understand changes to housing, resident enrollment, and open enrollment trends.



*The enrollment figures for the 2022-23 and 2023-24 school years are estimates. The enrollment figures for the other years that are presented represent actual student enrollment (average daily membership).

Preliminary Budget Executive Summary

2023-2024 School Year

GENERAL FUND

The General Fund contains all revenue and expenditures for the general, day-to-day operations of the school district. This includes salaries and benefits for teachers, administrators, custodians, secretaries, and para-professionals; instructional supplies, technology, transportation, textbooks, and money spent to operate and repair district buildings. In some ways, it is clearer to express the General Fund in terms of what it does not cover. The General Fund does not cover food service, Community Education programs, debt service payments on voter-approved bonds issued by the District, and the cost of major construction projects financed through the issuance of bonds.

The General Fund includes expenditures associated with the capital projects levy or "tech levy", which funds all of the technology infrastructure and staff in the District, the annual levy for LTFM projects less than \$2.0M per site. Projects over \$2.0M are in the building construction fund. It is important to note that LTFM expenditures can fluctuate considerably from year to year and can impact the overall view of the district's funding picture.

FUND BALANCE POLICY

The level of spending is set with a number of considerations in mind, but one of the primary considerations is to maintain an adequate level of reserves for unanticipated events. The District has a formal policy calling for an unassigned fund balance in the General Fund equal to at least 6.0% to 10.0% of total unassigned expenditures. This balance could be considered to be the District's "savings account." Maintaining a prudent fund balance is important for the stability of the district, and is a key measure that bond rating agencies examine when assigning a credit rating to a District's debt issuances. The projected unassigned General Fund balance as of June 30, 2024 is \$10,185,657. This is 8.8% of the unassigned expenditure budget, or about two weeks of operations. Board policy dictates an additional *committed* fund balance of 2.0%. Unanticipated events that could occur that would require the District to dip into its unassigned fund balance include:

- Property tax delinquencies and abatements
- Enrollment fluctuations
- Unanticipated price increases for essential purchases, e.g. fuel for heating, other utilities, transportation
- State aid revenue reductions or 'pro-rations'
- Unforeseen public health emergencies or severe weather/natural disasters
- Federal sequestration

| Preliminary Budget Fiscal Year 2024 | | |
|--|-----------------------------|---------------------------------|
| FY2022 Audited Results | FY2023 Revised Budget | FY2024 Preliminary Budget |

Revenues:

| | | | |
|-------------------------|-----------------------|-----------------------|-----------------------|
| Local Property Taxes | \$ 44,953,106 | \$ 46,853,980 | \$ 53,290,711 |
| Investment Earnings | 46,182 | 598,647 | 406,663 |
| Other Local Revenue | 3,948,410 | 3,693,487 | 3,288,175 |
| State Aid | 82,445,205 | 86,913,483 | 95,178,065 |
| Federal Aid | 4,187,257 | 2,731,866 | 2,285,697 |
| Other Financing Sources | - | 1,067,740 | - |
| Total Revenue | \$ 135,580,160 | \$ 141,859,203 | \$ 154,449,311 |

Expenditures:

| | | | |
|---------------------------|-----------------------|-----------------------|-----------------------|
| Salaries and Benefits | 107,097,909 | 112,640,984 | 117,433,456 |
| Purchased Services | 13,208,778 | 9,317,387 | 9,730,795 |
| Supplies and Materials | 4,445,548 | 7,091,202 | 4,280,652 |
| Capital | 7,289,936 | 11,750,157 | 11,121,981 |
| Other | 600,892 | 620,584 | 507,439 |
| Other Financing Uses | 2,378,681 | 1,334,000 | 6,337,316 |
| Total Expenditures | \$ 135,021,744 | \$ 142,754,315 | \$ 149,411,639 |

Fund Balances:

| | | | |
|----------------------------|------------|------------|------------|
| Net Change in Fund Balance | 558,416 | (895,112) | 5,037,672 |
| Beginning of Year | 17,563,606 | 18,122,022 | 17,226,910 |
| End of Year | 18,122,022 | 17,226,910 | 22,264,582 |

Preliminary Budget Executive Summary

2023-2024 School Year

FOOD SERVICE FUND

The District's food service operation, managed by Chartwells, provides meals and nutrition services that fully comply with regulations set forth by the United States Department of Agriculture. All revenues and expenditures associated with the program must be accounted for in a separate fund. By law, revenues generated by the program can only be used to provide meals and to pay for certain closely related expenditures.

During the 2023 legislative session a bill to provide free meals to all students attending public schools was enacted, effective July 1, 2023. All students of the District will receive one free breakfast and one free lunch each school day.

| Preliminary Budget Fiscal Year 2024 | | |
|--|-----------------------------|---------------------------------|
| FY2022 Audited Results | FY2023 Revised Budget | FY2024 Preliminary Budget |

Revenues:

| | | | |
|----------------------|---------------------|---------------------|---------------------|
| Lunch Sales | \$ 352,581 | \$ 2,372,370 | \$ 1,147,748 |
| Federal Aid | 3,696,542 | 976,052 | 1,008,453 |
| State Aid | 74,774 | 164,237 | 1,579,963 |
| Other | 1,979 | 38,540 | 12,989 |
| Total Revenue | \$ 4,125,876 | \$ 3,551,199 | \$ 3,749,153 |

Expenditures:

| | | | |
|---------------------------|---------------------|---------------------|---------------------|
| Salaries and Benefits | 410,529 | 535,151 | 450,677 |
| Purchased Services | 2,903,922 | 2,832,052 | 3,298,476 |
| Supplies and Materials | 407,862 | 172,136 | - |
| Other Expenditures | 9,775 | 36,382 | - |
| Capital Outlay | 16,321 | 75,000 | - |
| Total Expenditures | \$ 3,748,409 | \$ 3,650,721 | \$ 3,749,153 |

Fund Balances:

| | | | |
|----------------------------|-----------|-----------|-----------|
| Net Change in Fund Balance | 377,467 | (99,522) | - |
| Beginning of Year | 921,842 | 1,299,309 | 1,199,787 |
| End of Year | 1,299,309 | 1,199,787 | 1,199,787 |

Preliminary Budget Executive Summary

2023-2024 School Year

COMMUNITY SERVICES FUND

Community Education exists to help our E-12 students and families thrive and be successful in school and life. Community Education designs, operates and participates in hundreds of important programs year-round that make life and learning better for all people who live, work and attend school in the district. Programs include Kid's Club childcare, facility rentals, youth camps and classes, adult classes, adult basic education, and volunteering. Community Education also operates the Edina Early Learning School which offers Early Childhood Family Education, full- and part-day preschool, early childhood screening, intervention and outreach for our community's youngest learners.

| Preliminary Budget Fiscal Year 2024 | | |
|--|-----------------------------|---------------------------------|
| FY2022 Audited Results | FY2023 Revised Budget | FY2024 Preliminary Budget |

Revenues:

| | | | |
|----------------------|---------------------|----------------------|----------------------|
| Local Property Taxes | \$ 1,118,925 | \$ 1,087,837 | \$ 1,232,059 |
| Tuition and Fees | 7,199,115 | 8,686,212 | 10,067,570 |
| Other Local Revenues | 2,639 | 15,000 | 32,007 |
| State Sources | 571,274 | 695,268 | 749,726 |
| Federal Sources | 108,900 | 87,000 | - |
| Total Revenue | \$ 9,000,853 | \$ 10,571,317 | \$ 12,081,362 |

Expenditures:

| | | | |
|---------------------------|---------------------|----------------------|----------------------|
| Salaries and Benefits | 5,511,265 | 7,229,836 | 8,035,027 |
| Purchased Services | 1,834,270 | 2,511,162 | 2,857,081 |
| Supplies and Materials | 550,108 | 594,817 | 653,440 |
| Other Expenditures | 125,783 | 129,800 | 165,300 |
| Capital Outlay | 56,369 | 99,408 | 182,000 |
| Total Expenditures | \$ 8,077,795 | \$ 10,565,023 | \$ 11,892,848 |

Fund Balances:

| | | | |
|----------------------------|-----------|-----------|-----------|
| Net Change in Fund Balance | 923,058 | 6,294 | 188,514 |
| Beginning of Year | 688,972 | 1,612,030 | 1,618,324 |
| End of Year | 1,612,030 | 1,618,324 | 1,806,838 |

Preliminary Budget Executive Summary

2023-2024 School Year

BUILDING CONSTRUCTION FUND

The Building Construction Fund is used for two purposes:

- to account for construction project expenditures financed with bond or bond-like proceeds
- to account for the expenditures of LTFM projects that are greater than \$2.0M per site.

There can be no borrowing from the Building Construction Fund; any cash or investment balance in the fund must be used for authorized construction or LTFM projects.

Expenditures relating to projects financed by bonds issued in prior years are reflected in the reduction in fund balance over time as projects progress to completion.

During the 2023 fiscal year the District issued certificates of participation in the aggregate par amount of \$14,200,000 to finance the addition to Countryside Elementary, which will host the District's Spanish dual-language program.

| Preliminary Budget Fiscal Year 2024 | | |
|--|-----------------------------|---------------------------------|
| FY2022 Audited Results | FY2023 Revised Budget | FY2024 Preliminary Budget |

Revenues:

| | | | |
|----------------------|----------------------|----------------------|---------------------|
| Investment Earnings | \$ 30,999 | \$ 20,000 | \$ 305,570 |
| Debt Issued | 7,357,053 | 21,685,499 | - |
| Transfers In | 3,051,806 | 1,334,000 | 6,337,316 |
| Total Revenue | \$ 10,439,858 | \$ 23,039,499 | \$ 6,642,886 |

Expenditures:

| | | | |
|-----------------------------|---------------------|----------------------|----------------------|
| Salaries and Benefits | - | - | 300,000 |
| Purchased Services | 1,739,767 | 2,308,534 | - |
| Capital Outlay | 4,552,861 | 15,168,151 | 16,792,568 |
| Interest and Fiscal Charges | 125,967 | - | - |
| Total Expenditures | \$ 6,418,595 | \$ 17,476,685 | \$ 17,092,568 |

Fund Balances:

| | | | |
|----------------------------|------------|------------|--------------|
| Net Change in Fund Balance | 4,021,263 | 5,562,814 | (10,449,682) |
| Beginning of Year | 7,392,643 | 11,413,906 | 16,976,720 |
| End of Year | 11,413,906 | 16,976,720 | 6,527,038 |

DEBT SERVICE FUND

The Debt Service Fund exists to account for revenues and expenditures associated with the repayment of the District's bonded indebtedness. The District issues bonds primarily for the purpose of financing the acquisition, construction, improvement and equipping of the District's buildings. Also, the District occasionally issues bonds to refund or refinance existing debt at a more favorable interest rate. By state law, revenues and expenditures for debt service must be maintained in a separate fund. Borrowing from the Debt Service Fund is not allowed; all resources held by the fund are held exclusively for the purposes of debt repayment and related activity.

The District's underlying credit rating by Moody's Investors Service, [most recently affirmed in April 2023](#), is Aaa, the highest rating possible. The District is one of only three school districts in the State of Minnesota and one of approximately 90 across the United States to hold the coveted rating. The District's credit rating is higher than 34 of 50 states and has held the Aaa rating for longer than the State of Minnesota.

| | Preliminary Budget Fiscal Year 2024 | | |
|-----------------------------------|--|-----------------------------|---------------------------------|
| | FY2022 Audited Results | FY2023 Revised Budget | FY2024 Preliminary Budget |
| Revenues: | | | |
| Local Property Taxes | \$ 15,066,052 | \$ 15,044,488 | \$ 14,277,476 |
| Investment Earnings | 3,299 | 79,964 | 22,025 |
| Debt Issued | - | 176,078 | - |
| Total Revenue | \$ 15,069,351 | \$ 15,300,530 | \$ 14,299,501 |
| Expenditures: | | | |
| Principal | 7,540,000 | 8,015,000 | 7,625,000 |
| Interest | 7,385,884 | 7,202,578 | 6,948,840 |
| Fiscal Charges and Other | 7,125 | 10,000 | 14,000 |
| Total Expenditures | \$ 14,933,009 | \$ 15,227,578 | \$ 14,587,840 |
| Fund Balances: | | | |
| <i>Net Change in Fund Balance</i> | 136,342 | 72,952 | (288,339) |
| <i>Beginning of Year</i> | 3,314,963 | 3,451,305 | 3,524,257 |
| <i>End of Year</i> | 3,451,305 | 3,524,257 | 3,235,918 |

Preliminary Budget Executive Summary

2023-2024 School Year

FUND BALANCE REPORT

| | Audited Fund Balances June 30, 2022 | FY2023 Final Budgeted Revenues | FY2023 Final Budgeted Expenditures | FY2023 Final Budgeted Transfers In/(Out) | FY2023 Ending Fund Balances | FY2024 Proposed Budgeted Revenues | FY2024 Proposed Budgeted Expenditures | FY2024 Final Budgeted Transfers In/(Out) | FY2024 Ending Fund Balances |
|---|---|--------------------------------------|--|--|-----------------------------------|---|---|--|-----------------------------------|
| General Fund: | | | | | | | | | |
| Nonspendable - Inventory | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Nonspendable - Prepaid Items | 2,925 | - | 2,925 | - | - | - | - | - | - |
| Total Nonspendable | 2,925 | - | 2,925 | - | - | - | - | - | - |
| Restricted - Achievement & Integration | - | 1,236,170 | 1,260,357 | 24,187 | - | 1,202,504 | 1,307,664 | 105,160 | - |
| Restricted - Alternative Program | - | 303,037 | 413,979 | 110,942 | - | 260,905 | 403,697 | 142,792 | - |
| Restricted - Area Learning Center | - | 213,634 | 224,003 | 10,369 | - | 218,000 | 414,360 | 196,360 | - |
| Restricted - Basic Skills | - | 832,375 | 1,809,767 | 977,391 | - | 1,916,490 | 2,322,102 | 405,612 | - |
| Restricted - Capital Projects Levy | - | 6,997,669 | 6,997,669 | - | - | 7,431,835 | 7,431,835 | - | - |
| Restricted - Gifted & Talented | - | 121,865 | 1,360,214 | 1,238,349 | - | 121,672 | 1,318,627 | 1,196,955 | - |
| Restricted - Learning & Development | - | 1,918,433 | 1,918,433 | - | - | 1,959,035 | 1,959,035 | - | - |
| Restricted - Long-Term Facilities Maintenance | 378,883 | 9,522,450 | 8,567,333 | (1,334,000) | - | 11,215,006 | 4,877,690 | (6,337,316) | - |
| Restricted - Medical Assistance | - | 50,000 | 50,000 | - | - | 50,000 | 50,000 | - | - |
| Restricted - Operating Capital | 2,308,787 | 4,248,069 | 3,970,018 | - | 2,586,838 | 4,370,116 | 3,981,118 | - | 2,975,836 |
| Restricted - Safe Schools | - | 471,748 | 728,240 | 256,492 | - | 468,518 | 826,859 | 358,341 | - |
| Restricted - Staff Development | 119,566 | 1,287,273 | 1,269,465 | - | 137,374 | 1,336,148 | 1,107,056 | - | 366,466 |
| Restricted - Student Activities | 26,404 | - | - | - | 26,404 | - | - | - | 26,404 |
| Total Restricted | 2,833,640 | 27,202,724 | 28,569,479 | 1,283,731 | 2,750,616 | 30,550,229 | 26,000,043 | (3,932,096) | 3,368,706 |
| Committed Fund Balance | 1,098,955 | - | - | 1,132,726 | 2,231,681 | - | - | 91,170 | 2,322,850 |
| Assigned - Donations Carryover | 588,432 | 707,470 | 545,058 | - | 750,844 | 515,700 | 931,756 | - | 334,788 |
| Assigned - OPEB & Severance | 3,818,111 | - | - | - | 3,818,111 | - | - | 500,000 | 4,318,111 |
| Assigned - Unemployment Insurance | - | - | - | - | - | - | - | 850,000 | 850,000 |
| Assigned - Paid Family Medical Leave | - | - | - | - | - | - | - | 250,000 | 250,000 |
| Assigned - Class Size Reduction | - | - | - | - | - | - | - | 534,469 | 534,469 |
| Assigned - Literacy Training | - | - | - | - | - | - | - | 100,000 | 100,000 |
| Assigned - Literacy and Virtual Programming | 1,044,193 | - | 1,044,193 | - | - | - | - | - | - |
| Assigned - Subsequent Years' Budget | 544,625 | - | 544,625 | - | - | - | - | - | - |
| Total Assigned | 5,995,361 | 707,470 | 2,133,876 | - | 4,568,955 | 515,700 | 931,756 | 2,234,469 | 6,387,368 |
| Unassigned Fund Balance | 8,191,141 | 114,819,009 | 111,584,035 | (3,750,457) | 7,675,658 | 123,383,382 | 116,142,524 | (4,730,859) | 10,185,657 |
| Total General Fund | \$ 18,122,022 | \$ 142,729,203 | \$ 142,290,315 | \$ (1,334,000) | \$ 17,226,910 | \$ 154,449,311 | \$ 143,074,323 | \$ (6,337,316) | \$ 22,264,582 |
| Food Service Fund: | | | | | | | | | |
| Nonspendable - Inventory | 21,658 | - | 21,658 | - | - | - | - | - | - |
| Restricted - Food Service | 1,277,651 | 3,551,199 | 3,629,063 | - | 1,199,787 | 3,749,153 | 3,749,153 | - | 1,199,787 |
| Total Food Service Fund | 1,299,309 | 3,551,199 | 3,650,721 | - | 1,199,787 | 3,749,153 | 3,749,153 | - | 1,199,787 |
| Community Service Fund: | | | | | | | | | |
| Restricted - Community Education | 1,217,494 | 9,633,354 | 9,566,955 | - | 1,283,893 | 11,033,071 | 10,904,910 | - | 1,412,054 |
| Restricted - Early Childhood Family Education | 299,864 | 683,496 | 713,321 | - | 270,039 | 749,316 | 698,841 | - | 320,514 |
| Restricted - School Readiness | 46,105 | 254,467 | 284,747 | - | 15,825 | 258,779 | 257,658 | - | 16,946 |
| Restricted - Community Service | 48,867 | - | - | - | 48,867 | 40,196 | 31,439 | - | 57,624 |
| Total Community Service Fund | 1,612,330 | 10,571,317 | 10,565,023 | - | 1,618,624 | 12,081,362 | 11,892,848 | - | 1,807,138 |
| Building Construction Fund: | | | | | | | | | |
| Restricted - Building Construction | 4,583,781 | 12,500 | 3,267,511 | - | 1,328,770 | - | 1,328,770 | - | - |
| Restricted - Long-Term Facilities Maintenance | 6,830,125 | 6,548,837 | 6,606,500 | 1,334,000 | 8,106,462 | 205,570 | 8,122,310 | 6,337,316 | 6,527,038 |
| Restricted - Building Projects Funded by COPs | - | 15,144,162 | 7,602,674 | - | 7,541,488 | 100,000 | 7,641,488 | - | - |
| Total Building Construction Fund | 11,413,906 | 21,705,499 | 17,476,685 | 1,334,000 | 16,976,720 | 305,570 | 17,092,568 | 6,337,316 | 6,527,038 |
| Debt Service Fund: | | | | | | | | | |
| Restricted - Debt Service | 3,451,305 | 15,300,530 | 15,227,578 | - | 3,524,257 | 14,299,501 | 14,587,840 | - | 3,235,918 |
| Total Debt Service Fund | 3,451,305 | 15,300,530 | 15,227,578 | - | 3,524,257 | 14,299,501 | 14,587,840 | - | 3,235,918 |
| Total Governmental Funds | \$ 35,898,872 | \$ 193,857,748 | \$ 189,210,322 | \$ - | \$ 40,546,298 | \$ 184,884,897 | \$ 190,396,732 | \$ - | \$ 35,034,463 |

Preliminary Budget Executive Summary

2023-2024 School Year

APPENDIX - A Budgeted Revenue, Expenditures, and Changes in Fund Balance - Governmental Funds For the Fiscal Year Ended June 30, 2024

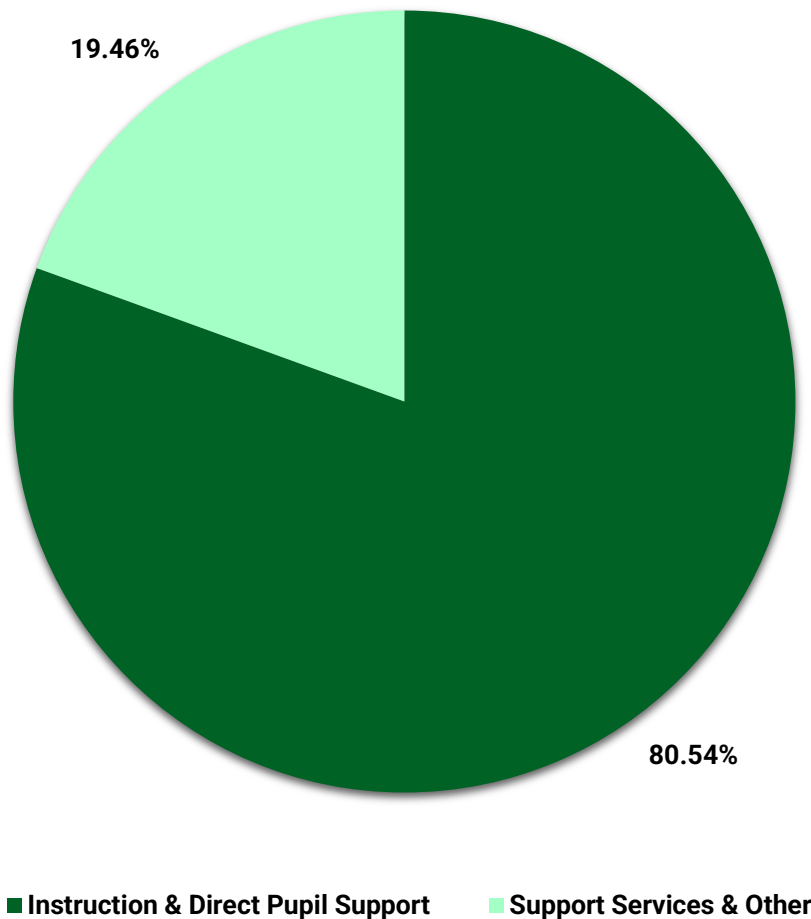
| | General Fund | Capital Projects - Building Construction Fund | Debt Service Fund | Non-Major Funds - Special Revenue Funds | Total Governmental Funds |
|--|-----------------------|---|----------------------|---|-----------------------------|
| Revenue | | | | | |
| Local Sources | | | | | |
| Property Taxes | \$ 53,290,711 | \$ - | \$ 14,277,476 | \$ 1,232,059 | \$ 68,800,246 |
| Investment Earnings | 406,663 | 305,570 | 22,025 | 32,496 | 766,754 |
| Other | 3,288,175 | - | - | 11,227,818 | 14,515,993 |
| State Sources | 95,178,065 | - | - | 2,329,689 | 97,507,754 |
| Federal Sources | 2,285,697 | - | - | 1,008,453 | 3,294,150 |
| Total Revenue | \$ 154,449,311 | \$ 305,570 | \$ 14,299,501 | \$ 15,830,515 | \$ 184,884,897 |
| Expenditures | | | | | |
| Current | | | | | |
| Administration | 2,782,951 | - | - | - | 2,782,951 |
| District Support Services | 3,072,059 | - | - | - | 3,072,059 |
| Elementary and Secondary Regular Instruction | 65,513,835 | - | - | - | 65,513,835 |
| Vocational Education Instruction | 461,001 | - | - | - | 461,001 |
| Special Education Instruction | 26,757,207 | - | - | - | 26,757,207 |
| Instructional Support Services | 11,704,092 | - | - | - | 11,704,092 |
| Pupil Support Services | 11,823,573 | - | - | - | 11,823,573 |
| Sites and Buildings | 9,030,840 | - | - | - | 9,030,840 |
| Fiscal and Other Fixed Cost Programs | 806,784 | - | - | - | 806,784 |
| Food Service | - | - | - | 3,749,153 | 3,749,153 |
| Community Service | - | - | - | 11,892,848 | 11,892,848 |
| Capital Outlay | 9,237,250 | 17,092,568 | - | - | 26,329,818 |
| Debt Service | | | | | |
| Principal | 844,693 | - | 7,625,000 | - | 8,469,693 |
| Interest | 1,040,038 | - | 6,962,840 | - | 8,002,878 |
| Total Expenditures | \$ 143,074,323 | \$ 17,092,568 | \$ 14,587,840 | \$ 15,642,001 | \$ 190,396,732 |
| Excess (Deficiency) of Revenue Over Expenditures | 11,374,988 | (16,786,998) | (288,339) | 188,514 | (5,511,835) |
| Other Financing Sources (Uses) | | | | | |
| Transfers In | - | 6,337,316 | - | - | 6,337,316 |
| Transfers (Out) | (6,337,316) | - | - | - | (6,337,316) |
| Total Other Financing Sources (Uses) | \$ (6,337,316) | \$ 6,337,316 | \$ - | \$ - | \$ - |
| Net Change in Fund Balances | \$ 5,037,672 | \$ (10,449,682) | \$ (288,339) | \$ 188,514 | \$ (5,511,835) |

Preliminary Budget Executive Summary

2023-2024 School Year

APPENDIX - B
General Fund Expenditures by Program
For the Fiscal Year Ended June 30, 2024

| Program Description | 2021-22 Audited | 2022-23 Budgeted | 2023-24 Budgeted | Percentage by Program |
|--|----------------------|----------------------|----------------------|-----------------------|
| Administration | \$ 3,873,432 | \$ 3,596,141 | \$ 2,782,951 | 1.86% |
| District Support Services | 2,853,563 | 2,522,344 | 3,072,059 | 2.06% |
| Elementary and Secondary Regular Instruction | 58,812,518 | 62,410,847 | 65,753,835 | 44.01% |
| Vocational Education Instruction | 418,856 | 436,799 | 461,001 | 0.31% |
| Special Education Instruction | 24,570,499 | 26,204,782 | 26,757,207 | 17.91% |
| Instructional Support Services | 12,998,643 | 14,233,518 | 15,144,326 | 10.14% |
| Pupil Support Services | 12,587,400 | 11,669,470 | 12,224,573 | 8.18% |
| Sites and Buildings | 18,543,948 | 20,418,114 | 22,408,903 | 15.00% |
| Fiscal and Other Fixed Cost Programs | 504,272 | 1,262,301 | 806,784 | 0.54% |
| Total | \$135,163,132 | \$142,754,315 | \$149,411,639 | 100.00% |

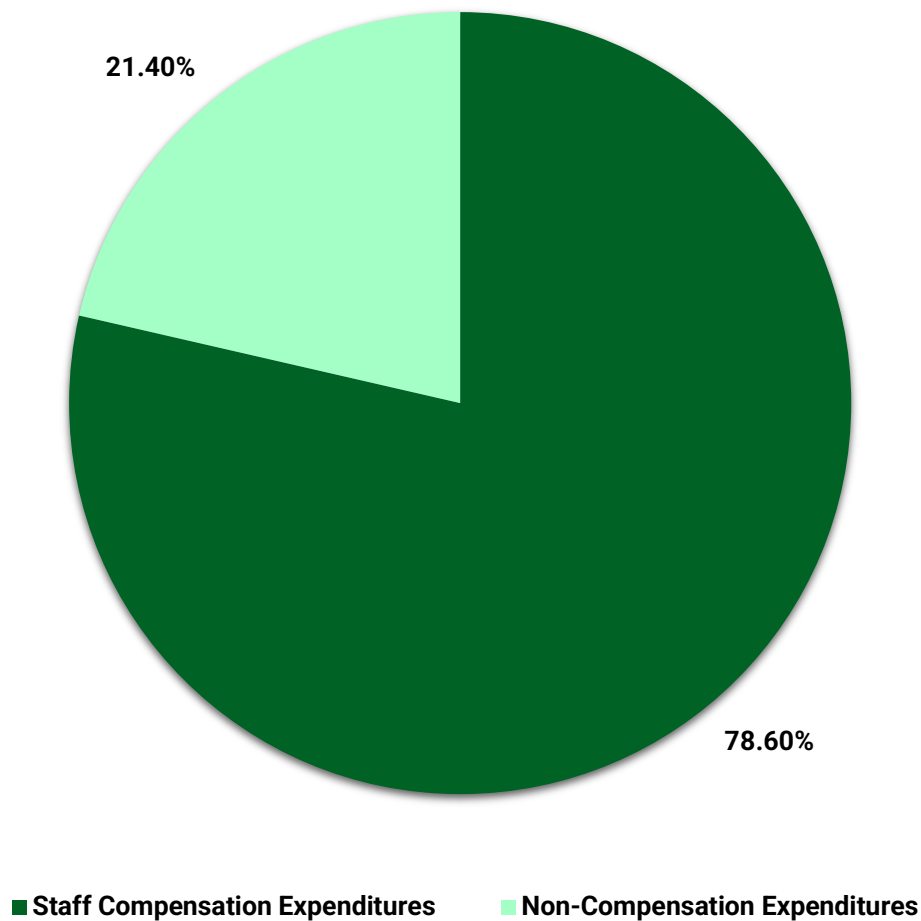


Preliminary Budget Executive Summary

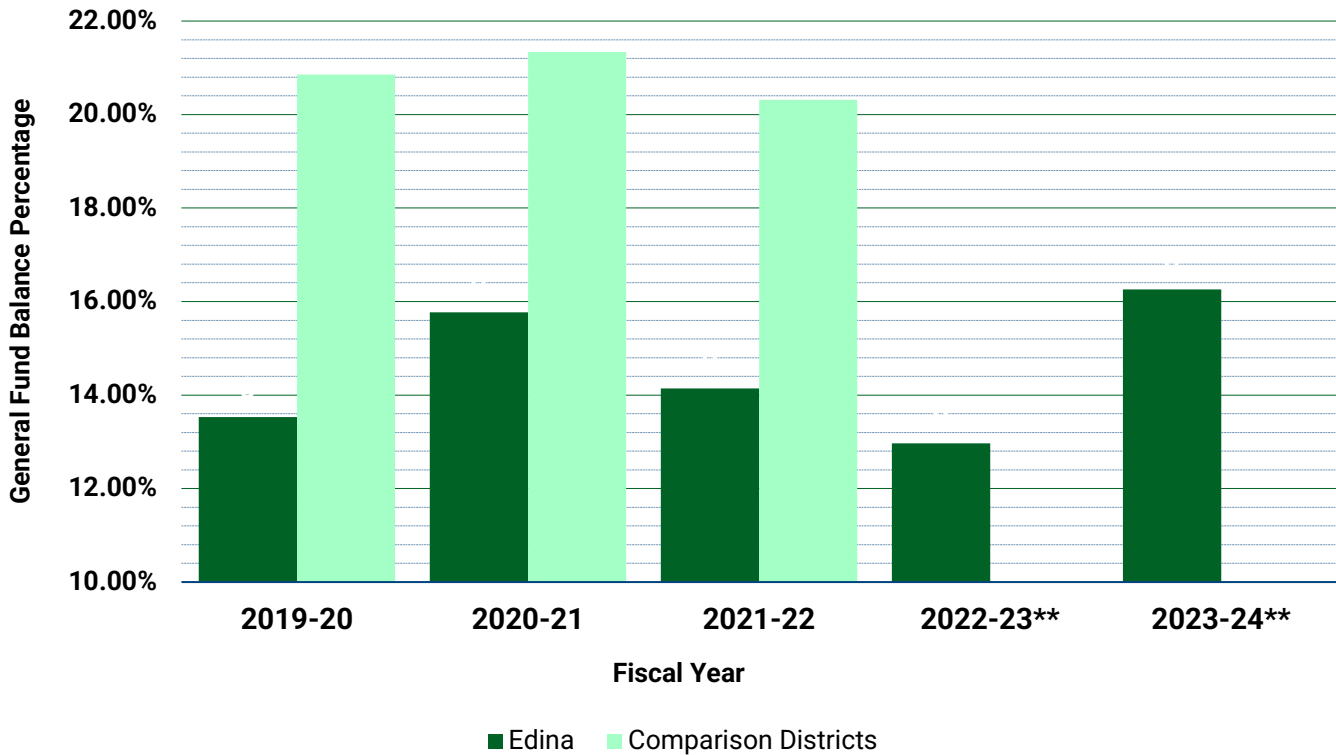
2023-2024 School Year

APPENDIX - C
General Fund Expenditures by Object
For the Fiscal Year Ended June 30, 2024

| Object Description | 2021-22 Audited | 2022-23 Budgeted | 2023-24 Budgeted | Percentage by Object |
|------------------------|----------------------|----------------------|----------------------|----------------------|
| Salaries and Wages | \$ 81,975,013 | \$ 85,212,839 | \$ 87,982,793 | 58.89% |
| Employee Benefits | 25,122,896 | 27,428,145 | 29,450,663 | 19.71% |
| Purchased Services | 13,208,778 | 9,317,387 | 9,730,795 | 6.51% |
| Supplies and Materials | 4,445,548 | 7,091,202 | 4,280,652 | 2.87% |
| Capital Expenditures | 7,289,936 | 11,750,157 | 11,121,981 | 7.44% |
| Debt Service | - | - | - | 0.00% |
| Other Expenditures | 600,892 | 620,584 | 507,439 | 0.34% |
| Other Financing Uses | 2,378,681 | 1,334,000 | 6,337,316 | 4.24% |
| Total | \$135,021,744 | \$142,754,315 | \$149,411,639 | 100.00% |



APPENDIX - D General Fund Balance History and Comparisons



*The fund balance categories included in the stated figures are those used by the Department of Education to calculate statutory operating debt.

** Comparison school district data was not available at the time of reporting.

Preliminary Budget Executive Summary

2023-2024 School Year

APPENDIX - E Scheduled Debt Service Activity For the Fiscal Year Ended June 30, 2024

| <u>Debt Issue</u> | <u>Issue Date</u> | <u>Coupon Rate</u> | <u>Final Maturity</u> | <u>Balance at June 30, 2023</u> | <u>Principal Payments</u> | <u>Interest Payments</u> | <u>Balance at June 30, 2024</u> |
|---|-------------------|--------------------|-----------------------|-------------------------------------|-------------------------------|------------------------------|-------------------------------------|
| General Obligation Bonds, Series 2014A | 12/30/2014 | 3.00%-3.50% | 2/1/2035 | \$ 6,050,000 | \$ - | \$ 194,188 | \$ 6,050,000 |
| General Obligation Bonds, Series 2015A | 7/22/2015 | 4.00%-5.00% | 2/1/2037 | 97,750,000 | 1,940,000 | 4,286,900 | 95,810,000 |
| General Obligation Bonds, Series 2017A | 4/13/2017 | 2.50%-4.00% | 2/1/2031 | 15,685,000 | - | 487,175 | 15,685,000 |
| General Obligation Bonds, Series 2019A | 5/2/2019 | 3.00%-5.00% | 2/1/2036 | 24,075,000 | - | 789,250 | 24,075,000 |
| General Obligation Bonds, Series 2019B | 11/14/2019 | 5.00% | 2/1/2024 | 5,515,000 | 5,515,000 | 275,750 | - |
| General Obligation Bonds, Series 2020A | 11/5/2020 | 3.00%-4.00% | 2/1/2026 | 8,550,000 | 170,000 | 340,300 | 8,380,000 |
| General Obligation Bonds, Series 2021A | 5/27/2021 | 2.00%-3.00% | 2/1/2031 | 10,585,000 | - | 255,900 | 10,585,000 |
| General Obligation Bonds, Series 2021B | 9/28/2021 | 2.00%-3.00% | 2/1/2035 | 7,000,000 | - | 143,300 | 7,000,000 |
| General Obligation Bonds, Series 2023A | 5/11/2023 | 4.00%-5.00% | 2/1/2037 | 7,035,000 | - | 210,022 | 7,035,000 |
| Certificates of Participation, Series 2011C | 11/17/2011 | 2.00%-3.75% | 4/1/2027 | 510,000 | 120,000 | 18,350 | 390,000 |
| Certificates of Participation, Series 2022A | 11/9/2022 | 4.00-5.00% | 4/1/2038 | 14,200,000 | 420,000 | 937,555 | 13,780,000 |
| Capital Leases (Various) | Various | 2.69%-5.20% | Various | 1,493,654 | 304,693 | 50,190 | 1,188,961 |
| | | | Total | \$ 198,448,654 | \$ 8,469,693 | \$ 7,988,879 | \$ 189,978,961 |

*Certificates of Participation and Capital Leases are paid for out of the General Fund and not the Debt Service Fund.

VI. **Closed Session**

VI.A. Superintendent Goals – End of the Year Report

Speaker (s) : Dr.
Stacie Stanley,
Superintendent



Board Meeting Date: 6/20/2023

Title: Superintendent Goals – End of the Year Report

Type: Discussion

Presenter(s): Dr. Stacie Stanley, Superintendent

Description: A set of superintendent goals were approved in September 2022 that are aligned with the goals and benchmarks of the strategic plan. Progress toward goals was reviewed in February of 2023. This information is intended to provide a full year overview of progress toward completing goals. All benchmarks and timelines were attained.

Recommendation: Accept final overview of goals

Desired Outcome(s) from the Board: Review information in detail and prepare questions and comments for the end of the year evaluation with questions.

Attachment(s): Overview of progress toward goals.

Superintendent Stacie Stanley
2022-2023 Goals

FORM ONE (1) : ESTABLISH GOALS AND STANDARDS

| <p>Goal 1: Provide leadership to improve and enhance student learning in Edina Public Schools.</p> | <p>Evidence of Performance 1: Superintendent will work with cabinet members to enhance continuous school improvement plan</p> <ul style="list-style-type: none">- Establish leadership training in August 2022 on the Plan/Do/ Study/Act framework for continuous school improvement.- Establish leadership training in August 2022 for principal, APs, Deans, and district instructional support staff to develop working knowledge of the new Tableau data warehouse.- By October 1, 2022, will meet with Asst Superintendent and each principal to receive an overview of School Improvement Plans.- Monthly 1:1s with Asst Supt will include a standing agenda item on progress with School Improvement Plans. |
|---|--|
| | <p>End of Year Update</p> <p><i>Each Key Indicator of Progress (KIP) was met for this goal:</i> Held first annual EPS Leadership Advance August 2-4, 2022. During this time EPS principals, APs, Deans, and district instructional support staff along with the asst superintendent, directors of community education & strategic partnerships, digital media technology, teaching and learning and student support services engaged in training related to the new continuous school improvement process. Team members learned about the Deming Plan/Do/Study/Act model and how to use it to identify root causes and set SMART goals that are designed to be dynamic vs. static. Leaders were also introduced to the new Tableau data warehouse specifically learning how to easily review standardized test data in aggregate and by student groups. Leaders developed a plan to cascade the information to the staff in their buildings to ensure quality and frequent data review at the team and classroom level.</p> <p>Monthly 1:1s with Asst Supt Smasal included a progress check in on progress with CSIP for each school.</p> <p>During Sept & early October, each principal met with me and asst supt Smasal to share their continuous school improvement plans which include academic and culture & climate goals, along with key indicators of progress. Asst Supt Smasal has met with principals monthly to discuss progress with their continuous school improvement plans and provides updates to me at our monthly 1:1 check ins.</p> <p>Held mid-year and end-of-year continuous school improvement</p> |

plan checkins with each principal to discuss progress toward meeting student KIPs and SMART Goals.

Presentation was provided to school board on 6.12.23, which outlined very strong literacy performance as evidenced by Spring FastBridge data.

Evidence of Performance 2: Superintendent will ensure benchmarks of the CLP are implemented in alignment with the strategic plan Gantt chart.

- Initial report on screening data provided in September 2022.
- CLP implementation progress report provided in October and April 2022.
- During the month of October 2022, the 2021-2022 data metric report will be presented.
- Schedule and hold DILT monthly meetings with every other month agendas that focus on & monitor K-12 literacy & math instruction.
- Reconvene Core Planning Team in January (virtually) and the Spring of 2023 (in person) to share progress and garner feedback.

End of Year Update

Key Indicator of Progress (KIP) and timelines were met:

The Teaching and learning team provided an update to the school board on screening data in September 2022

A CLP implementation progress report along with a detail overview of the newly developed district data metrics plan were provided to the school board at board committees, work sessions and regular board meetings in October 2022. An update on Elementary CLP was provided to board in May 2023. Celebration of student performance update as evidenced by FastBridge data was presented to the school board on 6.12.23.

The District Instructional Leadership Team has met monthly to analyze data to develop district wide goals for each data metrics area. [Calendar of Meetings](#)

[The Core Planning team was engaged in a ThoughtExchange that was launched on January 2023.](#)

Core Planning was [convened in March](#) and a [report was given to the board at the regular board session on June 12, 2023.](#)

Evidence of Performance 3: Superintendent will monitor the launch of DLI pathway and STEAM programming

- Monitor implementation during monthly 1:1's and cabinet meetings.
- Conduct frequent school visits to observe implementation.
- Progress report for DLI launch including enrollment, report on first quarter of learning (October) & 2nd semester update in April 2022.

| | |
|--|--|
| | - Implementation progress reports on STEAM programming in October 2022 and April 2023. |
| | <p>End of Year Update <i>Key Indicator of Progress (KIP) and timelines were met:</i></p> <p>Frequent school visits embedded into schedule and conducted.</p> <p>Viewed the SSEP in action throughout the fall. Monthly drop in visits in DLI classrooms.</p> <p>Progress report on DLI, STEAM & EVP programming provided in Fall of 2022 and again in Spring of 2023 at board committees, work session and regular board meetings.</p> <p>**Addition: Overview of Pathways development was provided at 6.12.23 board work session.</p> |

Standard 6.a-e and Strategic Priorities A.1-5; D.1, D.2, D.4

| Highly Effective (4) | Effective (3) | Developing (2) | Ineffective (1) |
|---|---|--|--|
| Ensures school improvement plans are in place at all buildings and align with school district-wide goals; assures plans and strategies are in place and used for implementing improvement efforts and monitoring progress; demonstrates knowledge and comfort with current instructional programs and seeks to communicate how the school district is implementing best practices and new initiatives; prioritizes and focuses on increasing student achievement, including reporting on student achievement metrics. | Ensures school improvement plans are in place at all buildings and align with school district-wide goals; demonstrates knowledge with current instructional programs and is able to discuss them; student achievement metrics are reported. | School improvement plans are in place at building level, but lack district-wide coordination; is somewhat knowledgeable of current instructional practices; relies on others for information/data. | School improvement efforts are limited; no comprehensive plan in place; is uninvolved in current instructional programs; is unaware of current instructional issues. |

FORM ONE (1) : ESTABLISH GOALS AND STANDARDS

Goal 2: Provides oversight of ethical and inclusive leadership

Evidence of Performance 1: Superintendent will work with community partners to develop & execute the plan for inclusive communities.

- Continue to engage with the city, community foundation and chamber to host One Town, One Family meetings in September, November and January/February.
- Ensure action plan and strategy work groups are developed in the fall of 2022.
- During the 2022-2023 school year, engage with non-dominant community groups to ensure multiple perspectives are heard and strong relationships are established and maintained.
- Schedule and hold quarterly student superintendent leadership team meetings (EHS, SVMS, VV) to ensure engagement of student voice.
- Continue to engage Key Communicators stakeholder group to keep the general community informed.

End of Year Update

Key Indicator of Progress (KIP) and timelines were met

Led efforts for successful One Town One Family meetings in September 2022 & November 2022, which established community champions (strategy work groups) and prototype (action plan) deliverables.

Presented update to Edina HRCC

Organized and facilitated December follow-up partnership meeting with city, foundation, YMCA & school district to determine next steps to implement prototypes. Follow up outreach to attendees to recruit planning and executive team members.

Presented to Somali and Latino parent affinity groups in September and October 2022. Met with EAAA in September 2022, December, 2022 and April 2023. Meetings are scheduled.

Developed process to hold Somali parent and student focus groups, and remained engaged with Director of Marketing & Communications as she implemented the plan. April/May 2023.

Worked with PLC to expand membership to include SEAC, DEAC and TDAC representation.

Met with EHS, SVMS & VVMS supt student leadership team to identify their areas of focus in October. Connected EHS team with DMTS director to run new ThoughtExchange, SVMS team with principal to develop outreach to students for feedback and VVMS principal to focus on KIP identified in the spring of 2021. Met with teams in Fall, Winter and Spring. Supt Leadership [Teams presented to the school board at a work session on May 15, 2023. Link to meeting calendar schedule](#)

Key Communicators

- Held in person key communicators reception in

| | |
|--|---|
| | <p>September 2022 to provide overview of key happenings in EPS and garner community feedback.</p> <ul style="list-style-type: none"> - Sent mailer with updated marketing materials and information about key happenings at end of December 2022. - Provided email updates throughout the school year. <p>**Addition: Reviewed, analyzed, and implemented program restructure that allowed for the addition licensed Director of Achievement Equity & Multilingual Learner Programming. The new director will advance the One Town – One Family efforts including prototypes that were generated in November 2022.</p> <hr/> <p>Evidence of Performance 2: Superintendent will provide direction, coaching and consult to administrator project managers in the execution of DEI plan.</p> <ul style="list-style-type: none"> - DEI implementation report provided February 2023 - Monitor implementation during 1:1's and cabinet meetings. - Beginning in September, 2022, schedule and hold monthly meetings with job embedded CP training for cabinet members. - Attend CP training(s) for staff to demonstrate commitment to our DEI plan. |
| | <p>End of Year Update</p> <p><i>Key Indicator of Progress (KIP) and timelines were met</i></p> <p>Attend CPSS cohort trainings and provide short introduction kickoff as needed to demonstrate district level commitment to DEI plan.</p> <p>Established key contact connection between industry DEI experts and school board for consultation and training, who presented to the board in the fall of 2022.</p> <p>On-going direction, coaching & consultation with cabinet project managers on Culturally Proficient School Systems (CPSS) implementation within district during 1:1s and cabinet meetings.</p> <p>Established calendar for CPSS consultant to provide bi-monthly virtual training on Tools of Cultural Proficiency for cabinet members. Calendar of Trainings</p> <p>4 cohorts of staff trained in CPSS Model.</p> <p>Symposium held on April 21st where first cohort members presented their action research and impact at the school and department levels.</p> <p>**Addition: Secure and schedule CPSS professional development to deepen school board and superintendent understanding and application of the Tools of Cultural Proficiency in respective leadership roles.</p> |

| | | | | | | | |
|---|--|---|--|--|--|--|--|
| | | | | <p>**Addition: Reviewed, analyzed, and implemented program restructure that allowed for the addition licensed Director of Achievement Equity & Multilingual Learner Programming. The new director will advance the One Town – One Family efforts including prototypes that were generated in November 2022.</p> | | | |
| <p>Standard 3a.-f & 8.b-f and Strategic Plan Priorities B.2, B.3 & E.4</p> | | | | | | | |
| Highly Effective (4) | | Effective (3) | | Developing (2) | | Ineffective (1) | |
| <p>Ensures a coordinated, systemwide plan to achieve equity for all students and staff has been developed and implemented, including strategies for meaningful engagement of students and staff from diverse communities and backgrounds, strategies for recruiting diverse staff, closing the achievement gap, and providing staff development; monitors plan is on ongoing manner; builds and sustains productive relationships with public and private sectors</p> | | <p>Ensures a system-wide plan to achieve equity has been developed and implemented, including strategies for meaningful engagement of students and staff from diverse communities and backgrounds, targeted efforts to close achievement gap, and providing professional development; creates relationships with public and private sectors</p> | | <p>A plan to achieve equity has been developed, including strategies for meaningful engagement of students and staff from diverse communities and backgrounds; reluctantly seeks some relationships with public or private sectors</p> | | <p>No plan to achieve equity has been developed; has no relationships with public and private sectors and shows no interest in pursuing partnerships</p> | |

FORM ONE (1) : ESTABLISH GOALS AND STANDARDS

| | |
|--|--|
| | |
| <p>Goal 3: Provide leadership to improve and enhance district culture and climate</p> | <p>Evidence of Performance 1: Superintendent will oversee and monitor efforts to support the emotional health and social needs of students and staff.</p> <ul style="list-style-type: none"> - In the Summer of 2022, each school will set SMART goals to increase culture & climate. - In August 2022, all district administrators and administrative assistants will participate in an <i>effective communication seminar</i> that will focus on quality communication techniques to support strong staff engagement and trust. |

- By 9.30.22 the superintendent will develop a process for providing summary updates for staff on school board meetings to support strong staff engagement and trust.
- By 10.1.22 the superintendent will work with cabinet members to develop plans to increase cabinet level presence in the buildings.
- Superintendent will schedule and hold monthly DILT meetings with every other month agendas that focus & monitor culture & climate
- By February 2023, the administrative team will present a draft of a staff satisfaction survey that will be administered and used yearly in conjunction with the Panorama survey and other data impact points; allowing for triangulated data.
- By the spring of 2023 district administrative leadership will engage in 5 training sessions (10 hours) designed to increase organization health.

End of Year Update

Key Indicator of Progress (KIP) and timelines were met

Held first annual EPS Leadership Advance August 2-4, 2022. During this time EPS principals, APs, Deans, and district instructional support staff along with the asst superintendent, directors of community education & strategic partnerships, digital media technology, teaching and learning and student support services engaged in training related to the new continuous school improvement process. Team members (this session included front office EPASS & confidential staff as well) participated in an *effective communication seminar* that focused on quality communication techniques to support strong staff engagement and trust.

The Lencioni Humanity + Performance = Dignity model was introduced to team members, along with a deeper focus on William Bridges model for change and transitions. Follow up sessions were held with leaders in October, December, February, April, and June. Leaders were surveyed throughout the school year to monitor implementation efforts focused on increasing organizational health.

[Calendar of Meetings](#)

[Example of Training](#)

Team members learned about the Deming Plan/Do/Study/Act model and how to use it to identify root causes and set SMART goals to support quality culture & climate that are designed to be dynamic vs. static. DILT team has met to discuss & monitor progress towards increasing culture and climate throughout the school districts.

Plan for cabinet members to provide greater presence buildings was established in mid-September. I check in with cabinet members to hear what they are learning as they are out in buildings. [Schedule created by a team member to monitor cabinet visits.](#)

Bimonthly updates sent to all district staff that highlight important updates from school board work sessions and regular meetings. Updates include links to board meeting agendas and materials.

Wellness team was established, survey was conducted and staff outreach activities were implemented back on staff voice including you are “souper” day and massage days at sites, Edina spirit wear and bags, treats on PD days.

Provided direction & consult on the development of staff satisfaction survey, which was presented to board at February 28, 2023 meeting, and will be administered to all staff in the spring of 2023.

[Data from staff survey and Panorama was presented at school board committees and work session in May 2023.](#) Data demonstrated an increase in positive climate and culture for most schools as evidenced by Panorama data. Staff engagement survey demonstrated positive areas of culture and climate.

Evidence of Performance 2: Superintendent will oversee and monitor efforts to ensure job embedded learning opportunities and monitoring of application change management strategies.

- Establish leadership training in August 2022 on the W. Bridges & Marzano, McNulty & Waters change management models.
- Ensure leaders are provided 3 additional training sessions during the 2022-2023 school year.
- Survey leaders 3x to monitor growth in use of change models to support quality culture and climate.
- In September 2022, the district will launch an EPS smartphone app to increase communication, allowing families to easily access important school information and receive important alerts.

End of Year Update

Key Indicator of Progress (KIP) and timelines were met

Held first annual EPS Leadership Advance August 2-4, 2022. During this time EPS principals, APs, Deans, and district instructional support staff along with the asst superintendent, directors of community education & strategic partnerships, digital media technology, teaching and learning and student support services engaged in training related to the continuous improvement

The Lencioni Humanity + Performance = Dignity model was introduced to team members, along with a deeper focus on William Bridges model for change and transitions. Follow up sessions have occurred with throughout the school year and leaders were surveyed to monitor implementation efforts focused on increasing organizational health.

| | |
|--|--|
| | <p>Edina Public Schools SMART Phone was launched allowing families to easily access important school information and receive important alerts.</p> <p>**Addition: Identify & secure industry expert to support school board & superintendent leadership efficacy. Board trained in IROD model. All cabinet members, Principals, APs, deans, and department leaders have been trained in IROD model.</p> <hr/> <p>Evidence of Performance 3: Superintendent will successfully Onboard new cabinet members and build a highly effective cabinet team.</p> <ul style="list-style-type: none"> - Hold weekly 1:1's during the first 90 days to support new cabinet members with their 30-60-90 day onboarding plans. - Cabinet will develop working knowledge of Lencioni 4 disciplines through monthly team development experiences. - Establish job embedded training on DiSC styles and organizational effectiveness. - Establish monthly training on Tools of Cultural Proficiency. - Survey cabinet 3x during the 2022-2023 school year to monitor team effectiveness. |
| | <p>End of Year Update</p> <p><i>Key Indicator of Progress (KIP) and timelines were met</i></p> <p>Each new cabinet member submitted a 30-60-90 day onboarding plan. Held pre-scheduled weekly short meetings and monthly deeper overview meetings with all new cabinet member to support successful onboarding</p> <p>The DiSC assessment was administered to all cabinet members and superintendent in the summer of 2022.</p> <p>Introduced all cabinet members to the Lencioni 4 disciplines using podcasts and small group discussion during cabinet meetings.</p> <p>Bimonthly trainings with organizational development expert in DiSC & Lencioni models to develop deep understanding and application of the tools to foster organizational health. Calendar of Monthly Meetings</p> <p>Established a calendar for CPSS consultant to provide bi-monthly virtual training for cabinet members. Calendar of Trainings</p> <p>Surveyed cabinet on progress every 6 weeks.</p> <p>Completed mid and year end goals meetings with each cabinet member</p> |

| Standard 5.a, 5.c & 5.e; Standard 7.c & 7.g and Strategic Plan Priorities C.1,4; D.1-4; & E.1 | | | |
|---|---|---|---|
| Highly Effective (4) | Effective (3) | Developing (2) | Ineffective (1) |
| Ensures system-wide plan has been developed and implemented to assure a healthy school and/or work environment; collaborates with local mental health and social services and agencies, if available, to provide services for students and/or staff; implements policies prohibiting bullying and harassment as intended and evaluates on ongoing basis; follows established plan for recruiting, hiring, supporting, inducting, developing, and retaining staff while keeping students' interests in mind; foster professional growth, leadership, and decision-making skills; | Ensures system-wide plan has been developed to assure a healthy school and/or work environment; collaborates with local services and agencies to provide social and emotional support options and services for students and/or staff; ensures policies prohibiting bullying and/or harassment have been developed; follows established plan for recruiting, hiring, supporting, inducting, developing, and retaining staff; delegates responsibility to appropriate staff | Plan has been developed to assure a healthy school learning and work environment; collaborates with local services to provide social and emotional support options and services for students and/or staff, but is not followed completely; policies prohibiting bullying and/or harassment policies have been developed; plan exists for recruiting, hiring, supporting, inducting, developing, and retaining staff, but is not used consistently; is reluctant to place much authority or decision-making with key staff | No plan developed to assure a healthy learning and/or work environment; no plan for social and emotional support options and services for students and/or staff exists; policies prohibiting bullying and/or harassment do not exist; no plan exists for recruiting, hiring, supporting, inducting, developing, and retaining staff; tightly controls decisions made within administrative team |

FORM ONE (1) : ESTABLISH GOALS AND STANDARDS

| Goal 4: Provide oversight in the development of strategy for enrollment management including resident student retention. | <p>Evidence of Performance 1: Superintendent will provide direction, coaching and consultation to administrator project managers who will conduct a longitudinal review of enrollment data and patterns.</p> <ul style="list-style-type: none"> - Work with assistant superintendent and director of marketing and communications to review pertinent enrollment data and develop an executive summary of findings by 11.1.22. |
|---|--|

| | |
|--|--|
| | <p>End of Year Update <i>Key Indicator of Progress (KIP) and timelines were met</i></p> <p>Comprehensive enrollment audit was conducted in the fall of 2022 and information was presented to school board at workshop and regular meetings in October 2022. Goal to increase from 78% retention of resident students to 83% of resident students by 2027 was established.</p> <p>Kindergarten marketing plan implemented in November 2023. Initial data demonstrate strong kindergarten resident enrollment. Will continue to monitor enrollment throughout the summer.</p> <p>Director of communications provided an update on communication and marketing efforts. Focus groups with 5th grade students were conducted and observations of tour processes were conducted to garner data that will be used to develop and launch marketing plan intended to increase retention of resident students in middle school.</p> |
| | <p>Evidence of Performance 2: Superintendent will provide direction, coaching and consultation to administrator project managers who will establish a marketing plan to support retention of resident students.</p> <ul style="list-style-type: none"> - Receive reports and monitor development of marketing plans that will be presented to the school board in December 2022. - Work with assistant superintendent and director of marketing and communications to review current plan for engaging with families who withdraw from EPS, determine if process modifications are needed, and monitor data for patterns and response on bi-monthly basis beginning November 1, 2022. |
| | <p>End of Year Update <i>Key Indicator of Progress (KIP) and timelines were met</i></p> <p>I met with Director of Marketing & Communications throughout the school year to receive monthly reports, monitor progress of the development of marketing plan and provide direction as needed.</p> <p>Comprehensive audit was conducted in the fall of 2022 that included focus groups, review of several data points, and secret shoppers. A summary of the information was presented to school board at workshop and regular meetings in October 2022. This information was used to provide a marketing plan to school board in October 2022 (60 days ahead of KIP deadline). Board received progress update in Spring of 2023.</p> <p>I met with director of marketing and communication to monitor implementation of 2022-2023 Marketing Plan KIPs. Key aspects that were brought to fruition included: Kindergarten marketing materials and outreach methods were updated, (2) strategy around news media outreach to illuminate</p> |

| | |
|--|---|
| | <p>positive and unique EPS programming executed (3) Intentional and targeted article development for the Edina Experience mailer.</p> <p>**Addition: (1) Successful resolution to logo lawsuit. Secure and worked with coverage counsel to ensure best fiscal settlement; (2) Successful oversight of BRRRG process that led to 4MM cost containment with minimal impact on student experience. Provided quality direction in the development FY 24 budget based on state investments in education and planning longitudinally for impact of new unfunded mandates (3) Successfully maintained Moody's Aaa credit rating twice during the 2022-2023 school year. (4) One of two AMSD superintendents selected to co-present the 2023-2025 AMSD legislative platform to member legislators, school board members, superintendents, and other administrators. Work with local legislators to advocate on behalf of Edina Public Schools stakeholders. (5) Support Dr. Anne Marie Leland in grant process that led to the successful procurement of \$100K Youth Skills Training grant.</p> |
|--|---|

Standard 2.e and Strategic Plan Priorities D.5 & E.5

| Highly Effective (4) | Effective (3) | Developing (2) | Ineffective (1) |
|--|---|---|--|
| <p>Protects school district's fiscal health by continually seeking efficiencies and identifying new sources of funding, such as grants and investment opportunities; follows school district policies and procedures to ensure funds and property are secure; bases recommendations and decisions on school district approved priorities and needs</p> | <p>Provides some oversight of school district resource allocations and decisions, including fiscal investments, grant funding opportunities, fixed assets, and external resources; usually follows policies; ensures alignment between school district assets and priorities to support improved instructions and other key goals</p> | <p>Provides limited oversight of school district resources, including fiscal investments, grant funding opportunities, and fixed assets; does not consistently follow policies; some alignment exists between school district assets and priorities</p> | <p>Does not provide oversight of school district resources, including fiscal investments, grant funding opportunities, and fixed assets; has not developed policies to guide asset-related decisions; makes fiscal decisions that do not align with school district priorities and/or are wasteful</p> |

VII. **Leadership and Committee Updates**

VIII. **Superintendent Updates**

IX. **Adjournment**