



EDEN PRAIRIE SCHOOLS

Inspiring each student every day

SCHOOL BOARD Workshop

Monday, January 6, 2020

6:15 PM

MEETING AGENDA

*The mission of Eden Prairie Schools is to inspire each student to learn continuously so they are empowered
To reach personal fulfillment and contribute purposefully to our ever-changing world.*

1. **Convene - 6:15 p.m. or immediately following the conclusion of Annual Organizational Meeting**
School Board Roll Call:
Aaron Casper, Debjyoti "DD" Dwivedy, Elaine Larabee, Holly Link, Adam Seidel, Veronica Stoltz, Terri Swartout
2. **Finance 101** 2
3. **Five-Year Financial Forecast**
4. **Engagement Strategies**
<https://prezi.com/view/pGt3HimhF5LlJtLX7DJ/>
5. **Community Linkage Committee: Senior Center Meeting** 20
6. **2020 Committees & Outside Organization Discussion** 24
7. **Jan 2020 - Jun 2020 School Board Work Plan** 25
8. **Confirm Agenda for next School Board Workshop**
9. **Adjournment**
10. *Addendum*
 - A. *Presentation Documents Added to Items #2 and #4*

A background photograph of a diverse group of middle school students in a classroom. Some students are sitting at a wooden table in the foreground, working on a project that involves crumpled aluminum foil and a clear plastic container. Other students are standing behind them, smiling at the camera. The classroom has a 'Thinking Maps' poster on the wall in the background.

Finance 101

January 2020



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Agenda

- Budget
 - Process & Factors
- General Fund Revenue
 - Major Source – State Aid
 - Voter & Non-Voter Approved Levies
- General Fund Expenditures
 - Major Sources
 - Classroom Teacher Staffing
- Fund Balance Categories
 - Reasons for fund balance
- Budget Unknowns
- 5-Year Enrollment Projections
- 5-Year Financial Forecast
- Resources

Budget Process

- Financial Model Software
- Input Data
 - Prior year audited data
 - Current year budget
 - Assumed outlook of various factors
- Framework for Assumptions
 - Guidance from Citizen Finance Advisory Committee (CFAC)
 - Gauge Local, Regional, Statewide, National Conditions
 - AMSD and MASBO
 - Consult with other School District's
- Long Range Financial Forecast

Budget Factors

- Biggest drivers

- Revenue – Enrollment, Basic Formula Allowance, Operating Levy
- Expenditures – Salary/Benefit settlements, class size ratios, fund balance reserves, medical insurance rates, property insurance rates, workers compensation, utility rates

5

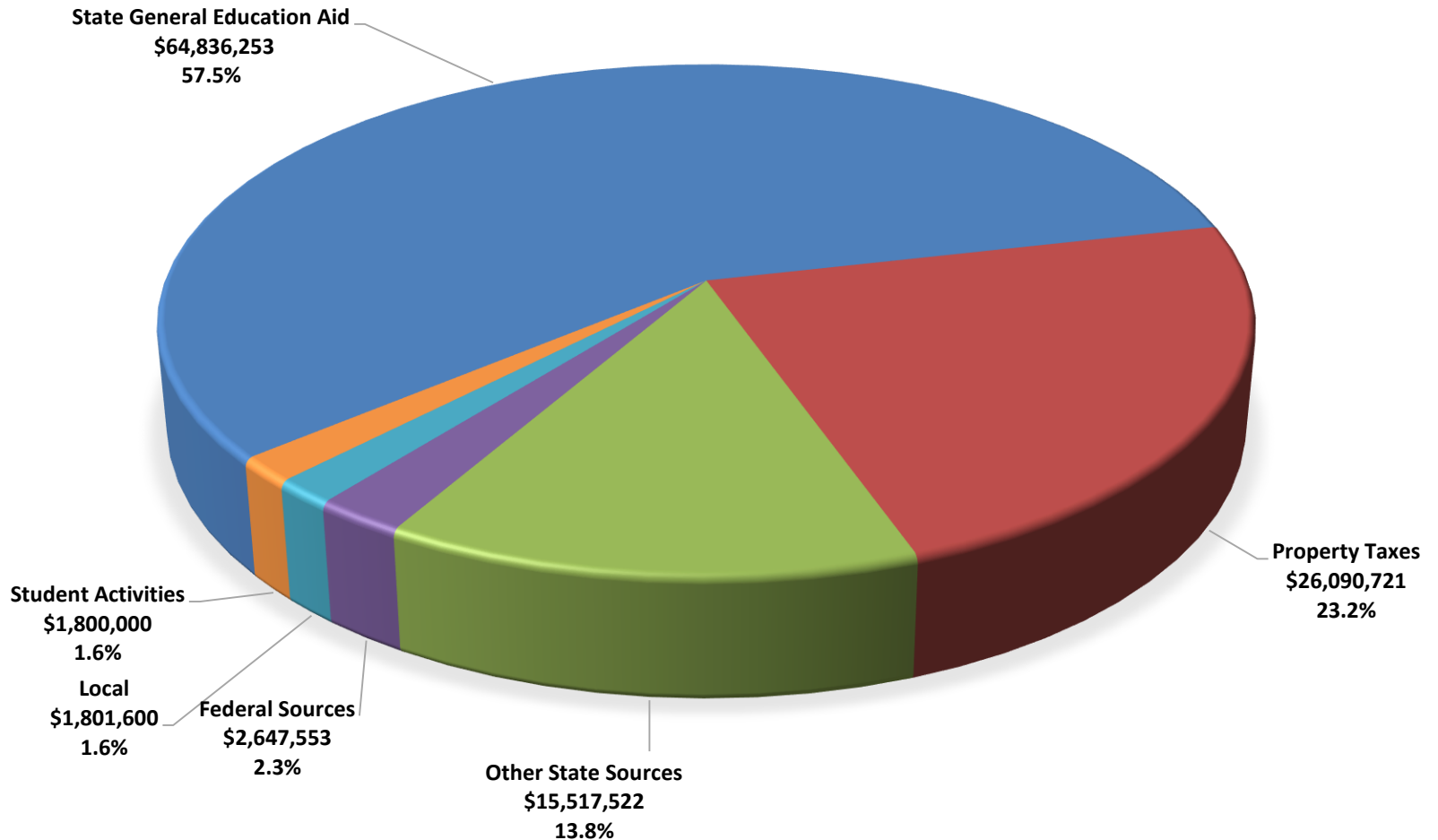
- Enrollment

- Review of demographics
 - Periodic demographic studies, City of Eden Prairie (housing), trends, open enrollment (OE)
- Enrollment Software
 - Include actual history
 - Scientific mechanism for projecting future trends



General Fund Revenue

FISCAL 2020 REVENUE



General Education Aid

- State funds - used for any operating expense
- Formula Allowance times Adjusted Pupil Units
 - FY20 = \$64,836,253
- Adjusted Pupil Unit (APU)
 - Total enrollment, Resident & Open Enrollment
 - 1.0 Grades K-6, 1.2 Grades 7-12



Voter Approved Levies

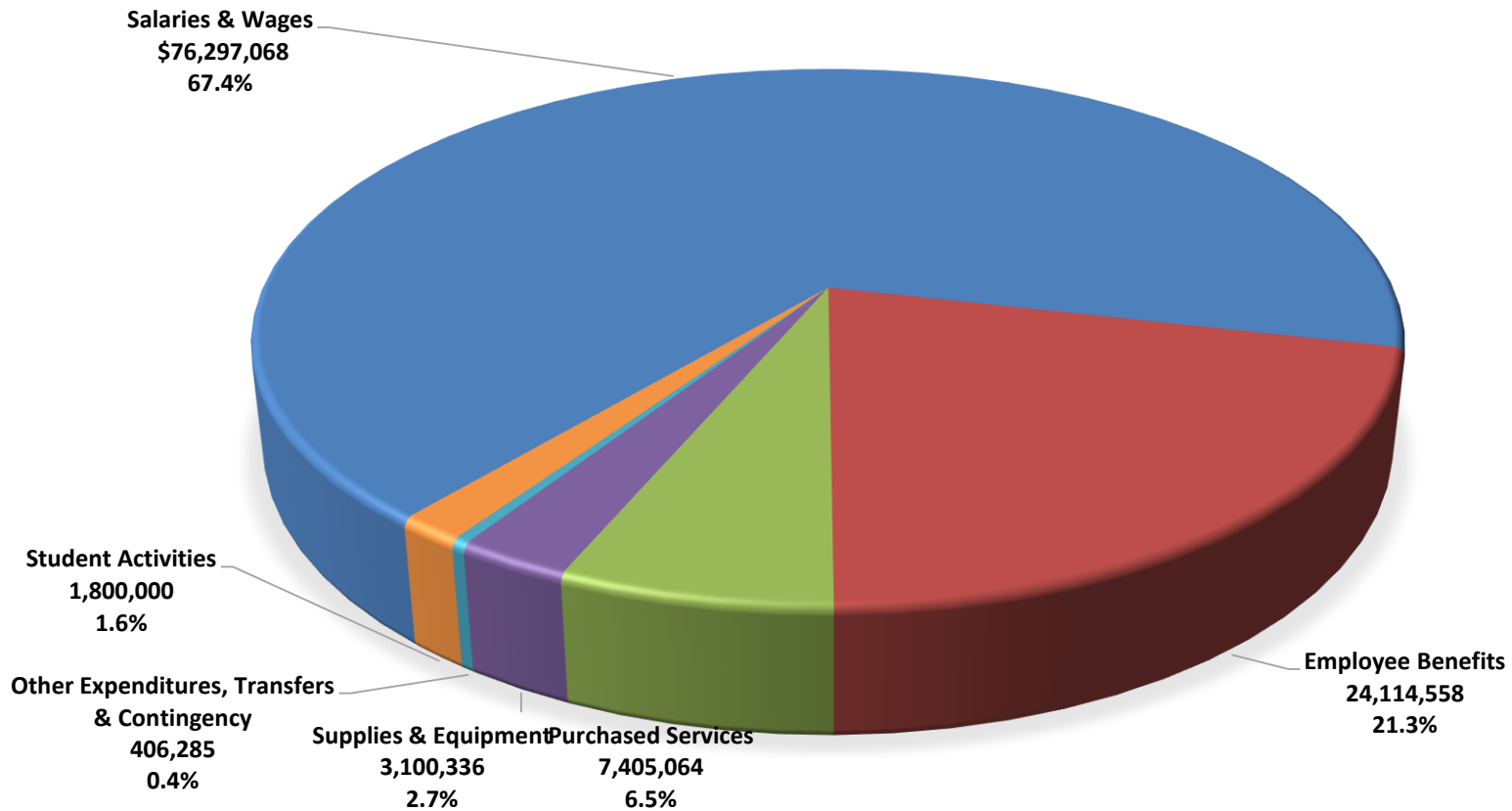
- Operating Referendum
 - Passed in Nov. 2014
 - Expires June 30, 2025
 - Approx. \$22 million per year
- Capital Projects Levy (Technology)
 - Passed in Nov. 2013
 - Expires June 30, 2025
 - Approx. \$7.3 million per year

Non-Voter Approved Levies

- Long-Term Facilities Maintenance (LTFM)
 - \$12.6 million every 2 years (20 Year Bond)
- Capital Leases (i.e. Education Center, ISD 287, etc.)
 - Approx. \$1.2 million each year

General Fund Expenditures

FISCAL 2020 EXPENDITURES



Expenditure Categories - % Spent

- 57.7% Instruction & Instructional Support
- 18.2% Special Education
 - Cross Subsidy \$8.3 million
- 7.9% Operations & Maintenance
- 6.7% Administration
- 5.9% Transportation
- 3.6% Student Activities & Athletics

Classroom Teacher Staffing

Grade	Target
Kindergarten	20.0
Grade 1	20.0
Grade 2	24.0
Grade 3	25.0
Grade 4	27.0
Grades 5 & 6	30.0
Grades 7 & 8	31.0
Grades 9-12	31.5

Classroom teacher staffing according to estimated enrollment and class size targets* across district and by grade

*Class sizes may vary depending upon specific enrollment



Fund Balance Categories

- **Non-spendable** – not in spendable form or legal requirement
 - Prepaid items, Inventories
- **Committed** – used for specific purpose by formal board action
- **Restricted** – legally enforceable constraints
 - Operating capital, health & safety, basic skills, staff development
- **Assigned** – district's intent for specific purpose
 - Capital, site carryover, third party billing
- **Unassigned** – for all other purposes not described by other categories
 - Used to calculate Statutory Operating Debt (SOD)
 - Used to calculate compliance with board policy
 - The fund balance mostly widely referred to by individuals

Why Have a Fund Balance?

- Necessary for unknown situations
 - Irregular payments of state and local revenues
 - State aid proration, metering of payments, tax shift, state shut down
 - Mandated but not funded programs
 - Higher utility costs
 - Greater than expected inflation
 - Changes in enrollment and state funding
- Sound fiscal management has a long term positive impact on the success of students
- Validates fiscal credibility with various reporting constituencies, including establishing a good credit rating
- Minimum of 8% per School Board Policy

Budget Unknowns

- State Funding
- Federal Funding
- Teacher Retirements
- Housing Changes (Broadmoor)
- Self Funded Medical Insurance
- Solar Power

Enrollment Projections

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Kindergarten	649	610	620	620	620	620
Grades 1-6	3,781	3,755	3,679	3,614	3,541	3,484
Grades 7-8	1,326	1,345	1,356	1,356	1,333	1,333
<u>Grades 9-12</u>	<u>2,939</u>	<u>2,859</u>	<u>2,857</u>	<u>2,818</u>	<u>2,834</u>	<u>2,837</u>
Total	8,695	8,569	8,512	8,408	8,328	8,274

5-Year Financial Forecast

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Unassigned Fund Balance \$	\$17,427,766	\$16,681,245	\$15,320,406	\$13,211,439	\$10,506,224	\$7,484,097
Fund Balance %	15.6%	14.7%	13.3%	11.3%	8.8%	6.2%

Resources

- District Website
- MN School Finance History 1849-2019
- MN School Finance-Guide for Legislators
- Minnesota Department of Education Website

THANK YOU



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Senior Center Listening Session- Monday, January 27th, 10:00 am

Talking Points

Moderator welcomes everyone. Board members introduce themselves.
Moderator begins informational part of meeting.

1) Who we are:

The Eden Prairie School Board consists of seven elected community members, each elected for a four-year term (except in 2017 and 2019, which are 3-year terms; 4-year terms return in 2020). Superintendent Josh Swanson serves as an ex-officio board member and is responsible for implementation of board policies and directives

Four members were elected this fall for a three-year term, which they started just this month. They include: Aaron Casper, Debjyoti “DD” Dwivedy, Adam Seidel (incumbent), and Veronica Stoltz.

The remaining board seats are currently occupied by Elaine Larabee, Holly Link, and Terri Swartout. Those three seats will be up for election this fall to serve a four-year term.

2) What we do:

Elected by the voters within the Eden Prairie community, we are responsible for governing the Eden Prairie School district, hiring and evaluating the Superintendent, approving our district’s budget, monitoring our finances, and establishing a strategic vision for the district and our students. We are accountable to the voters of the district and the state of Minnesota.

3) When we meet:

School Board Meetings are held twice a month. The board holds a Board Workshop on the second Monday of each month, and its Business Meeting on the fourth Monday of each month, both at 6 p.m., unless otherwise indicated. Workshops and Business Meetings are located at the Administrative

Services Center, 8100 School Road. Meetings are open to the public, except those specifically permitted by law to be “closed” for discussion of identified issues such as negotiation strategy or litigation (pursuant to Minnesota statutes).

During meetings, the School Board works to set expectations for the district based on the values of the community and reviews the district’s progress in meeting these expectations. The School Board is also updated on activities and projects taking place within the district. The public is encouraged to attend meetings. Opportunities are provided at the board meeting for public comment.

Meeting/agendas are posted to the website by the Thursday before the meeting. Meeting materials are posted on the website by 9 a.m. the day of the meeting.

4) How we connect with the community:

Board members participate in a variety of committees and community groups: Association of Metropolitan School Districts, PTO Presidents Council, Eden Prairie Rotary, etc. We also hold listening sessions, such as the gathering this morning at the Senior Center.

5) Policy Governance:

The Eden Prairie School Board uses a style of governing called Policy Governance.

What does it mean to *govern* as a Minnesota School Board Director? Altbach (2015) states that educational *governance* is “The exercise of authority in controlling the system of public education for the private and public good.” Our Board’s authority is granted by the State of Minnesota and is only in force when we are acting as a whole board. Individual Board Members have no authority.

What *governance structure* does the Eden Prairie School Board use? We have chosen to do our job within the *governance structure* known as **Policy Governance** (John & Miriam Carver, 2016). This form of governance clearly states the difference between the roles and responsibilities of the Board (to govern) and the Superintendent (to manage). When the Board and Superintendent work collaboratively while maintaining their distinct roles, the whole District benefits.

What is the difference between *governance* and *management* ?

As **GOVERNORS**, the Board complies with all Minnesota State School Board Statutes:

- Sets a vision for the district based on community values
- Hires a superintendent who shares that vision and works to bring it about
- Writes and monitors policies that clearly state:
 - ✓ End goals of education in the district (**ENDs**)
 - ✓ Limitations within which the Superintendent must stay while accomplishing the ends (ELs)
 - ✓ Board work delegated to the Superintendent (**BMDs**) ✓ How the Board does its job (**GP**s)
- Approves a district budget in line with the Board's Ends
- Advocates for the District with the State Legislature
- Engages in intentional ongoing dialog with the community
- Evaluates the Superintendent's accomplishment of the Ends

As a **MANAGER**, the Superintendent complies with State Statute, Board Policies and District Policies:

- Serving as the Board's **sole point of connection** with the District
- Reasonably interpreting each Board-written Ends and Executive Limitations policy, describing what evidence will show compliance with the policy, and how that evidence will be measured.
- Uses whatever means necessary, within the Board's limitations, to accomplish the Ends. The Superintendent manages the District which has

approximately 9,000 enrolled students in grades PreK-12. District Programs and Schools include:

- Community Education: Early Childhood, Little Eagles Preschool, Youth and Adult enrichment
- Elementary schools: Cedar Ridge, Eagle Heights Spanish Immersion, Eden Lake, Forest Hills, Oak Point, and Prairie View
- Central Middle School
- Eden Prairie High School
- Tassel Transition Program (18-21-year-old students with special needs)

6) Designing Pathways:

Handout provided by district communications

General Questions for the Board:

- 1) Is the content ok?**
- 2) Would the Board prefer we break this down into bullet points instead of paragraphs?**
- 3) Shall we assign a moderator and Board members to read each section?**

Draft prepared by the Community Linkage Committee for the 12/9/19 Board Meeting



School Board Committees		
	2019	2020
Board Development Committee	Dave Espe Holly Link Elaine Larabee	
Community Linkage Committee	Lauren Crandall Terri Swartout	
Policy Committee	Elaine Larabee Terri Swartout Adam Seidel	
Negotiations Committee	Elaine Larabee Adam Seidel Lauren Crandall	
School Board Outside Assignments		
	2019	2020
AMSD (1 time/month or more) Association of Metropolitan Schools	Terri Swartout	
ISD 287 (2 times/month) Intermediate School District #287	Adam Seidel	
ECSU (2 times/year) Metropolitan Educational Cooperative Service Unit	Holly Link	
School Board – Other Assignments		
	2019	2020
Financial Advisory Committee	Holly Link	
Joint Facilities (Nov-Dec, 1 time/year)	Elaine Larabee	
Minnesota State High School League (MSHSL – 1 time/year)	Adam Seidel	
PTO President’s Council	Elaine Larabee Terri Swartout	
Strategic Core Planning Team (As requested by Superintendent)	Dave Espe Holly Link Lauren Crandall	

EDEN PRAIRIE SCHOOL BOARD
2019-2020 ANNUAL WORK PLAN

Board Meetings

Board Workshops

Other Meetings

January 27, 2020

Board Meeting or Board Workshop Type, Date and Time	Board Work				Supt Consent Agenda Items (Human Resources & Business Services Reports)	Board Education & Required Reporting	Workshop Topic(s)
	Policy Monitoring Ends, EL, BMD & GP Monitoring	Decision Preparation	Required Board Action	Board Action on Committee Reports & Minutes			
<p>*****2020*****</p> <p>Annual Organizational Meeting Mon, Jan 6, 2020 6:00 PM</p>			<ul style="list-style-type: none"> • 2019 Annual Organizational Mtg. <ul style="list-style-type: none"> - Election of Officers - School Board Compensation - School Board Calendar • Approval of School Board Meeting Calendar: Jul 1, 2020 through Jun 30, 2020 • Resolution for Combined Polling Places for the General Elections • Appointment of Intermediate District 287 Representative <hr/>		<ul style="list-style-type: none"> • 2019 Annual School District Organizational Items: <ul style="list-style-type: none"> - School District Newspaper - School District Depository/Financial Institutions - Money Wire Transfers - Early Claims Payment - School District Legal Counsel - School District Responsible Authority - Deputy Clerk & Deputy Treasurer - Facsimile Signature Authorization - Authorization for Superintendent to Sign Contracts - Local Education Agency (LEA) Representative - MDE Designation of Identified Official with Authority (IoWA) - 		
<p>Board Workshop Mon, Jan 6, 2020 6:15 PM Convene following the Annual Organizational Meeting</p>							<ul style="list-style-type: none"> • 2020 Committees & Outside Organization Discussion • CLC: Senior Center Talking Points, Agenda &

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							Attendance Discussion • Budget: 5-Year Financial Forecast • Finance 101 • Engagement Strategies • Confirm agenda for next Board Workshop
Board Meeting Mon, Jan 27, 2020 6:00 PM		<ul style="list-style-type: none"> •FY 2020-21 School Calendar (<i>Draft</i>) •FY 2021-22 School Calendar (<i>Preliminary</i>) •FY 2020-21 Budget Timelines – <i>First Reading</i> •FY 2020-21 Budget Assumptions – <i>First Reading</i> 	<ul style="list-style-type: none"> •FY 2019-20 Mid-Year Budget Approval •Record of Board Self-Evaluation 	<ul style="list-style-type: none"> •2020 School Board Committee & Outside Organization Assignments 	<ul style="list-style-type: none"> • Monthly Reports • FY 2020-21 Bus Purchase • Pay Equity • District Policy 721 • Bids - Seek 		
Post Meeting Board Workshop Mon, Jan 27, 2020							• School Board Meeting Self-Assessment
Board Workshop Mon, Feb 10, 2020 6:00 PM							<ul style="list-style-type: none"> • Levy's & Schedule • Transportation: Funding & Options • School Wide Enrichment Model (SEM) –1

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	Policy Monitoring Ends, EL, BMD & GP Monitoring	Decision Preparation	Required Board Action	Board Action on Committee Reports & Minutes			
							<ul style="list-style-type: none"> •Walk through School Board Agenda •Confirm agenda for next Board Workshop
Board Meeting Mon, Feb 24, 2020 6:00 PM		<ul style="list-style-type: none"> • Closed Session: Negotiation Strategy Pursuant to MN Statue 13D.03, Subd.1 	<hr/> <ul style="list-style-type: none"> •Record of Board Self-Evaluation 		<ul style="list-style-type: none"> • Monthly Reports • Approval of FY 2020-21 School Calendar • Approval of Preliminary FY 2021-22 School Calendar 	<ul style="list-style-type: none"> • Ends 1.1, 1.1.2 & 1.2 	
Post Meeting Board Workshop Mon, Feb 24, 2020							<ul style="list-style-type: none"> •School Board Meeting Self-Assessment
Board Workshop Mon, Mar 09, 2020 6:00 PM							<ul style="list-style-type: none"> •Communications •Confirm agenda for next Board Workshop •
Board Meeting Mon, Mar 23, 2020 6:00 PM		<ul style="list-style-type: none"> • FY 2020-21 Capital Budget – <i>First Reading</i> 	<ul style="list-style-type: none"> •Resolution to Release Probationary Teachers •Final FY 2020-21 Budget Assumptions <hr/> <ul style="list-style-type: none"> •Record of Board Self-Evaluation 		<ul style="list-style-type: none"> •Monthly Reports •Achievement & Integration Budget 		

27

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2019-2020 ANNUAL WORK PLAN

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	Policy Monitoring Ends, EL, BMD & GP Monitoring	Decision Preparation	Required Board Action	Board Action on Committee Reports & Minutes			
Post Meeting Board Workshop Mon, Mar 23, 2020							• School Board Meeting Self-Assessment
Board Workshop Mon, Apr 13, 2020 6:00 PM							<ul style="list-style-type: none"> • FY 2020-2021 Annual Work Plan Calendar Discussion • FY 2020-2021 School Board Meeting Calendar Discussion • FY 2020-2021 School Board Budget Discussion • Mechanics of Monitoring • Confirm agenda for next Board Workshop
Board Meeting Mon, Apr 27, 2020 6:00 PM		<ul style="list-style-type: none"> • FY 2020-21 School Board Work Plan – <i>First Reading</i> • Closed Session: Negotiation Strategy • FY 2020-21 School Board Budget – <i>First Reading</i> 	<ul style="list-style-type: none"> • Approval of FY 2020-21 Capital Budget • Approval of FY 2020-21 School Board Meeting Calendar • Record of Board Self-Evaluation 		• Monthly Reports		

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	Policy Monitoring Ends, EL, BMD & GP Monitoring	Decision Preparation	Required Board Action	Board Action on Committee Reports & Minutes			
Post Meeting Board Workshop Mon, Apr 27, 2020							• School Board Meeting Self-Assessment
Board Workshop Mon, May 04, 2020* 6:00 PM							• School Wide Enrichment Model (SEM)-2 • Confirm agenda for next Board Workshop
Board Meeting Mon, May 18, 2020* 6:00 PM		• FY 2020-21 Budget – <i>First Reading</i>	• Approval of FY 2020-21 School Board Work Plan • Approval of FY 2020-21 School Board Budget <hr/> • Record of Board Self-Evaluation		• Monthly Reports • MSHSL Resolution for Membership • Approval of FY 2020-21 School Meal Prices		
Post Meeting Board Workshop Mon, May 18, 2020*							• School Board Meeting Self-Assessment
Board Workshop Mon, June 08, 2020 6:00 PM							• General Fund Budget Q&A • Confirm agenda for next Board Workshop
Board Meeting Mon, June 22, 2020 6:00 PM	• Ends 1.1, 1.2, 1.3 OI		• Approval of FY 2020-21 Budget • ISD 287 10-Year Facilities		• Monthly Reports • EPS 10-Year Facilities Maintenance Plan • Q-Comp Annual Report		

29

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	Policy Monitoring Ends, EL, BMD & GP Monitoring	Decision Preparation	Required Board Action	Board Action on Committee Reports & Minutes			
			Maintenance Resolution ----- •Record of Board Self-Evaluation		•Annual Review of District Mandated Policies •Approval of Updated District Policies		
Post Meeting Board Workshop Mon, Jun 22, 2020							•School Board Meeting Self-Assessment

*May Meeting dates changed due to Memorial Day