

INDEPENDENT SCHOOL DISTRICT NO. 625
Saint Paul, Minnesota
MINUTES OF THE REGULAR MEETING OF THE BOARD OF EDUCATION

September 19, 2017

I. CALL TO ORDER

The meeting was called to order at 6:13 p.m.

II. ROLL CALL

Present: Mr. Marchese, Ms. Ellis (joined at 6:16), Ms. Foster, Mr. Brodrick, Mr. Vue, Ms. Vanderwert, Mr. Schumacher, Superintendent Gothard, Ms. Cameron, General Counsel, and Ms. Dahlke, Assistant Clerk

III. APPROVAL OF THE ORDER OF THE MAIN AGENDA

MOTION: Mr. Schumacher moved approval of the Order of the Main Agenda as published. The motion was seconded by Ms. Vanderwert.

The motion was approved with the following roll call vote:

Mr. Marchese	Yes
Ms. Ellis	Absent
Ms. Foster	Yes
Mr. Brodrick	Yes
Mr. Vue	Yes
Ms. Vanderwert	Yes
Mr. Schumacher	Yes

IV. RECOGNITIONS

BF 31054 Acknowledgement of Good Work Provided by Outstanding District Employees and Departments

The Minnesota Department of Education (MDE) has awarded Saint Paul Public Schools with a certificate of recognition for their commitment to provide training, coaching, and evaluation in support of schools implementing PBIS (Positive Behavioral Interventions & Supports). Of 63 schools, 30 have been trained through the state cohort model, and an additional 24 schools have been trained internally. 43 schools have measured growth with fidelity in the past year. The certificate is signed by MDE Commissioner Brenda Cassellius. Presenting the recognition to the superintendent and the board are members of the Department of School Climate and Support, including the district leads for PBIS, Erin Metz and Kristi Kohn, Assistant Director Kathy Lombardi and Executive Director, Dr. Leiataua Robert Jon Peterson.

BF 31055 Acknowledgement of Accomplishments of SPPS Students

A team of 13 students makes up the 2017-18 SPPS Student Engagement and Advancement Board, which launched in 2015. The SEAB's role is not to speak for students, but to develop and implement strategies that amplify student voice.

The Student Engagement and Advancement Board works on multiple initiatives each year to increase student voice in decision making at the Board and Administration level. Each year, a project proposal process begins in late spring with a deadline of August 15th. The Board, Administration, staff and students may choose to submit a project proposal for SEAB to work on or to work on collaboratively. SEAB works as a group to determine what they want to work on during the year and also design their own projects with input from the student body.

Amanda Hoffman
Amina Muumin
Aana Jibicho
Astrid Steiner-Manning
Danasja Hall
Elizabeth Rypa
Malachi Raymond
Miski Omar
Rajni Schulz
Sarah Henry
Tabu Henry
Thomas Htoo
Zoua Vue
SEAB Facilitators are Shaun Walsh and Tyler Berres.

V. APPROVAL OF THE ORDER OF THE CONSENT AGENDA

MOTION: Mr. Schumacher moved approval of the Order of the Consent Agenda with the exception of Items B1 -- Request for Permission to Accept a Grant from the Amherst H. Wilder Foundation, C2 -- GAP/Community School Collaborative Services in SPPS, C4 -- Request for Permission to Enter into a Contract with Saint Paul College for PSEO by Contract Services for the Youth Career Connect (YCC) Grant, E1 -- Facilities Department FY18 Purchases over \$100,000, E9 -- Post Age-65 Retiree Health Insurance Annual Renewal, E10 -- Active Employee and Early Retiree Health Insurance, G1 -- Change Order #3 for Como Park Senior High Synthetic Turf Field, and G2 -- Change Order #1 for Highland Park Elementary Expansion & Renovation which were pulled for separate consideration. The motion was seconded by Mr. Marchese.

The motion was approved with the following roll call vote:

Mr. Marchese	Yes
Ms. Ellis	Yes
Ms. Foster	Yes
Mr. Brodrick	Yes
Mr. Vue	Yes
Ms. Vanderwert	Yes
Mr. Schumacher	Yes

VI. APPROVAL OF THE MINUTES

A. Minutes of the Regular Meeting of the Board of Education of August 15, 2017

MOTION: Mr. Schumacher moved approval of the Minutes of the Regular Meeting of the Board of Education of August 15, 2017 as published. The motion was seconded by Ms. Foster.

The motion was approved with the following roll call vote:

Mr. Marchese	Yes
Ms. Ellis	Yes
Ms. Foster	Yes
Mr. Brodrick	Yes
Mr. Vue	Yes

Ms. Vanderwert
Mr. Schumacher

Yes
Yes

VII. COMMITTEE REPORTS

A. Committee of the Board Meeting of September 12, 2017

Information on Restructuring School Start Times was presented. Administration received recommendations regarding this topic from our community partners and a community steering committee. A proposed timeline for next steps includes a vote by the Board of Education at the October 17th Board Meeting on those proposed changes.

A presentation on Positive Behavioral Interventions & Support and Restorative Practices outlined these programs within the district and their role in helping to achieve overall positive school climate. The PBIS Framework can be seen as a “shopping cart” with various components that contribute to this program. Restorative Practice supports healthy relationships within our school communities. Positive school climate is defined as “a place where everyone can thrive” and these two programs are helping to achieve that goal, as well as social emotional needs of students and staff.

The proposed Pay18 Levy was presented to the Board to fund approximately 20% of the SPPS budget for 2018-2019 school year. It was recommended to the Board to approve the maximum ceiling of the levy at the September 19th Board of Education Meeting, with the certification of the levy at the December 19th Board Meeting.

A letter from the Saint Paul Indian Education Parent Committee was read, which officially acknowledged and accepted the receipt of the Administration Response to the 2016-2017 Parent Committee Resolution of Non-Concurrence.

MOTION: Ms. Ellis moved the Board accept the report on the September 12 Committee of the Board meeting and approve the minutes of that meeting as published. The motion was seconded by Ms. Vanderwert.

The motion was approved with the following roll call vote:

Mr. Marchese	Yes
Ms. Ellis	Yes
Ms. Foster	Yes
Mr. Brodrick	Yes
Mr. Vue	Yes
Ms. Vanderwert	Yes
Mr. Schumacher	Yes

VIII. SUPERINTENDENT'S REPORT

Superintendent Gothard gave a brief report on the beginning of the 2017-2018 school year. He thanked everyone for the strong start filled with excitement, all the great work in our schools, and the engagement with our community partners. He also provided a brief recap on restructuring school start times and the upcoming vote on the plan at the October 17, 2017 Board of Education Meeting.

A. Human Resource Transactions

MOTION: Mr. Schumacher moved approval of the HR Transactions for the period August 1, 2017 through August 31, 2017. Mr. Brodrick seconded the motion.

The motion was approved with the following roll call vote:

Mr. Marchese	Yes
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Ms. Ellis	Yes
Ms. Foster	Yes
Mr. Brodrick	Yes
Mr. Vue	Yes
Ms. Vanderwert	Yes
Mr. Schumacher	Yes

IX. CONSENT AGENDA

MOTION: Mr. Schumacher moved approval of the Order of the Consent Agenda with the exception of Items B1 -- Request for Permission to Accept a Grant from the Amherst H. Wilder Foundation, C2 -- GAP/Community School Collaborative Services in SPPS, C4 -- Request for Permission to Enter into a Contract with Saint Paul College for PSEO by Contract Services for the Youth Career Connect (YCC) Grant, E1 -- Facilities Department FY18 Purchases over \$100,000, E9 -- Post Age-65 Retiree Health Insurance Annual Renewal, E10 -- Active Employee and Early Retiree Health Insurance, G1 -- Change Order #3 for Como Park Senior High Synthetic Turf Field, and G2 - - Change Order #1 for Highland Park Elementary Expansion & Renovation which were pulled for separate consideration. The motion was seconded by Ms. Foster.

The motion was approved with the following roll call vote:

Mr. Marchese	Yes
Ms. Ellis	Yes
Ms. Foster	Yes
Mr. Brodrick	Yes
Mr. Vue	Yes
Ms. Vanderwert	Yes
Mr. Schumacher	Yes

A. Gifts - none

B. Grants

BF 31056 Request for Permission to Accept Grants from the Ecolab Foundation's Visions for Learning Program

That the Board of Education authorize the Superintendent (designee) to accept multiple grants from the Ecolab Foundation's Visions for Learning program; to accept funds, and to implement the projects as specified in the award documents.

BF 31057 Request for Permission to Submit a Grant to the Minnesota Department of Education, State Library Services

That the Board of Education authorize the Superintendent (designee) to submit a grant to the Minnesota Department of Education for funds to increase library engagement among middle school students; to accept funds, if awarded; and to implement the project as specified in the award documents.

BF 31058 Request for Permission to Accept a Grant from the National Association for College Admission Counseling

That the Board of Education authorize the Superintendent (designee) to accept a grant from the National Association for College Admission Counseling to fund transportation services for students to visit college campuses; and to implement the project as specified in the award documents.

BF 31059 Request for Permission to Accept a Grant from Tides Center

That the Board of Education authorize the Superintendent (designee) to accept a grant from Tides Center to purchase supplies for a maker space in SPPS; and to implement the project as specified in the award documents.

BF 31060 Request for Permission to Accept Grants from United States Tennis Association (USTA) Northern

That the Board of Education authorize the Superintendent (designee) to accept grants from the USTA Northern; to accept funds, and to implement the projects as specified in the award documents.

BF 31061 Request for Permission to Submit a Grant to the Viva Musica Music/Art Grant Program

That the Board of Education authorize the Superintendent (designee) to submit a grant to the Viva Musica for funds to purchase 15 new Orff instruments; to accept funds, if awarded; and to implement the project as specified in the award documents.

C. Contracts

BF 31062 Spring 2017 & Spring 2018 ACT Testing

That the Board of Education authorize payment of \$122,323.50 to ACT for administration of the 2017 ACT Plus Writing exam, and approximately \$110,700 for the 2018 exam.

BF 31063 Approval to Enter into a Contract with Middle English, Inc. to Provide American Sign Language Interpreting Services for the 2017-18 School Year

That the Board of Education authorizes the Superintendent (designee) to enter into a contract with Middle English for \$150,000 to provide American Sign Language interpreting for students and parents as needed for the 2017-18 school year to be paid by Special Education and by the schools.

D. Agreements

BF 31064 District Rooftop Lease (Cell Tower) at L'Etoile Du Nord Upper Campus

That the Board of Education authorize the Superintendent or Designee to execute the Lease Agreement between the District and T-Mobile Central LLC for a cell tower at L'Etoile Du Nord Upper Campus (Prosperity).

BF 31065 Agreement to Transfer Overdrive Digital Content to the Saint Paul Public Library

That the Board of Education authorize the Superintendent (designee) to enter into necessary agreements to transfer Saint Paul Public Schools' Overdrive collection to the Saint Paul Public Library.

BF 31066 Addendum to Lease Agreement with West Side Community Organization

That the Board of Education authorize the Superintendent to execute the Addendum to the Lease Agreement between the District and West Side Community Organization to exchange space at the vacant lot located at the northwest corner of Livingston Avenue and Baker Street East, Saint Paul, MN 55107 for rent at the Baker Center.

E. Administrative Items

BF 31067 Settlement of Uninsured Claim

That the Board of Education approve the settlement of the above referenced claim and authorize School District administration to issue payment.

BF 31068 Monthly Operating Authority

That the Board of Education approve and ratify the following checks and wire transfers for the period July 1, 2017- July 31, 2017.

a) General Account	#680274-681177	\$38,318,717.17
	#0002629-0002652	
	#7002411-7002439	
	#0001654-0001705	
(b) Debt Service	-0-	\$5,050,723.32
(c) Construction	-0-	\$4,246,451.30
		\$47,615,891.79

Included in the above disbursements are 2 payrolls in the amount of \$19,151,503.17 and overtime of \$48,815.77 or 0.25% of payroll.

(d) Collateral Changes

Released:

None

Additions:

None

That the Board of Education further authorize payment of properly certified cash disbursements including payrolls, overtime schedules, compensation claims, and claims under the Workers' Compensation Law falling within the period ending December 31, 2017.

BF 31069 Employee Long-Term Disability Insurance Annual Renewal

That the Board of Education continues the District's employee long-term disability contract with VOYA for calendar year 2018 with no change in premium renewal rates.

BF 31070 Employee Life Insurance Renewal

That the Board of Education approves the contract for employee life insurance with Minnesota Life with no change in premium renewal rates for 2018.

BF 31071 Employee Short-Term Disability Insurance Annual Renewal

That the Board of Education approves the contract for employee short-term disability coverage with VOYA at the renewal rates.

BF 31072 Optional Vision Insurance for Active Employees Annual Renewal

That the Board of Education approve the contract for active employee vision insurance coverage with EyeMed effective January 1, 2018.

BF 31073 Employee Dental Insurance Annual Renewal

That the Board of Education approve the contract for active employee dental insurance coverage with HealthPartners effective January 1, 2018, at the proposed renewal rates.

BF 31074 Request for Approval to Process an Upgrade: Based on Job Study

That the Board of Education approve the upgrade of the Communication Specialist position and promote the incumbent taking on the additional duties to the newly created Grade 15 Communication Consultant job classification in the PEA labor agreement.

F. Bids

BF 31075 Harding High School Tennis Courts Resurfacing

That the Board of Education authorize the award of Harding High School Tennis Courts Resurfacing to Bituminous Roadways, Inc. per contract release B-358(5) and contract number 123720 for the lump sum base bid of \$255,000.00

G. Change Orders – Pulled for Separate Consideration

CONSENT AGENDA ITEMS PULLED FOR SEPARATE CONSIDERATION:

BF 31076 Request for Permission to Accept a Grant from the Amherst H. Wilder Foundation

That the Board of Education authorize the Superintendent (designee) to accept a grant from the Amherst H. Wilder Foundation to support families and children at Freedom Schools in SPPS; and to implement the project as specified in the award documents.

The Board requested more information, including the background, of this program. Answer: The grant from the Amherst H. Wilder Foundation is an on-going grant for support of the Freedom School at the Rondo Complex. The Promise Neighborhood, Saint Paul Children's Collaborative, and the District have been partnering for the past several years. The cost to run the Freedom School is about \$500,000 per year, and the District still provides significant amount of ALC funds, as well as other support, to cover the cost of implementing the program. Participation in the Saint Paul Promise neighborhood is 360 students, and 80% of those students did not experience a summer learning loss, which is a real source of pride for the program.

BF 31077 GAP/Community School Collaborative Services in SPPS

That the Board of Education authorize the Superintendent (designee) to approve the expending of ALC, Gateway to College, and Special Education funds in an amount not to exceed \$200,000 for site-based mental health services provided by GAP/Community School Collaborative. This amount reflects site-based mental health services at 7 SPPS sites.

Superintendent Gothard provided the background on this program. The Guadalupe Alternative Program is an existing program, and this contract will expand those services. The mental health site-based services will be expanding from four schools in the 16-17 school year to seven schools for 17-18. It will expand existing programming that has been effective in supporting our students and families.

How are students referred to these services, and who does the referral? Who is served and how is that decided? Answer: Students are usually referred by a school contact, who is the main referral source. Social workers and school counselors work very closely with GAP. Each school sets up a system with a student assistance team, who notices students who may be experiencing some difficulties. They will then contact the family of the student to receive the voluntary release of information to make that referral.

BF 31078 Request for Permission to Enter into a Contract with Saint Paul College for PSEO by Contract Services for the Youth Career Connect (YCC) Grant

That the Board of Education authorize the Superintendent (or designee) to enter into a contract with Saint Paul College to hire a Youth Career Connect (YCC) College Navigator.

Superintendent Gothard provided more information on this item. Some of these areas of PSEO and articulated credits can be challenging. Not all of our staff are certified or licensed to offer credits for both high school and college. We are looking to establish this partnership to ensure that students are receiving the dual credit. It is a partnership that allows for our students to be served in that way.

BF 31079 Facilities Department FY18 Purchases over \$100,000

That the Board of Education authorize the purchases listed for the Facilities Department anticipated to be over the \$100,000.

The Board requested more information on the funding sources used for furniture purchases. Is it levy funds, or a different source? Answer: There are several ways for funding – the cleanest and easiest is the general fund. Historically, this has provided the funds for furniture replacements. There is opportunity in the capital levy to pay for furniture, fixtures, and equipment. It is a balance between those two funds – the general fund and the levy; with guidance from Chief Schrul on those projects and what is most advantageous for the district.

BF 31080 Post Age-65 Retiree Health Insurance Annual Renewal

That the Board of Education approves the contracts for retiree health insurance coverage with HealthPartners effective January 1, 2018, at the proposed premium rates.

BF 31081 Active Employee and Early Retiree Health Insurance

That the Board of Education approve a contract for active employee and early retiree health insurance coverage with HealthPartners, effective January 1, 2018, at the proposed premium renewal rates.

The Board requested more information on these two items regarding the increase in retiree and employee insurance. They requested more information on the budgeting process; how have we accounted for these increases in our budget and the impact it will have compared to previous years. Answer: For the first question on a sense of how these increases are accounted for and the impact they have on the budget, at this time we are in a good position and working through years that are pre-negotiated under this contract. We had foreknowledge on what the increase would be for the upcoming year. As Chief Schrul prepares her annual budget every year, she works with the Benefits Team to gain a sense of increases for the medical coverages, and she aligns with those. Because the fiscal and annual year structure is different, she accounts for the current wages and the increases in those amounts within the average cost of employees within the district.

In our budget for the fiscal year, are there any additional impacts beyond what we've budgeted for the employee insurance increases? Answer: No. There is a small impact from rounding the numbers up, but for the large percentage increase, we used 8% which is consistent with what was budgeted.

Could we gain a better understanding of how increasing amounts this year relates to past years' amounts? Answer: There are significant increases this year. This is the fourth year of our four-year package. At our last RFP, our winning provider gave us three years of a rate increase cap at 4%, with the opportunity to negotiate this fourth year at a reasonable amount. We received three years at 4%, and this year at 8%.

Going forward, what do you foresee, knowing there are challenges with healthcare? Answer: We are seeing and anticipating significant increases in rates for several reasons. The first is our experience as an organization. We are still benefiting from the aggressive moves to have our business. In our last RFP, we signed a contract that saw a 14% increase in rates that year and gradually working their way up. If we don't start to make changes to the benefits and plans provided, there will be a 15-20% increase for 2019 based on projections. We think we will fare better because it is an RFP year; we would be doing ourselves a disservice if we accepted too much of a discounted rate for the fear of bounce back three years out. Conservatively, but pessimistically, we are looking at double digit increases for 2019. What would be the total cost in terms of numbers for that increase? Answer: For this current proposal, for active employees and based on an 8.5% increase translates to \$4.6 million for early retirees, the total package is about \$51 million. If we were to take that up to double digits and at similar numbers, there would be a \$6 million or \$6.5 million increase.

BF 31082 Change Order #3 for Como Park Senior High Synthetic Turf Field

That the Board of Education authorize the Superintendent to sign Change Order #3 for Como Park Senior High Synthetic Turf Field for the lump sum of \$384,417.00.

BF 31083 Change Order #1 for Highland Park Elementary Expansion & Renovation

That the Board of Education authorize the Superintendent to sign Change Order #1 for Highland Park Elementary School for the lump sum of \$213,713.21.

Tom Parent, Director of Facilities, provided background on both change orders. Both are representative of construction projects currently underway. Unforeseen conditions are inevitable in Facilities, and these are things that come up through the course of construction as we uncover unforeseen work and discover and account for errors in drawing sets, or when we and outside partners say there is value in changing the scope of work.

For the Change Order #3 for Como Park Senior High Synthetic Turf Field, it was in pursuit of the artificial turf field and the underground storm water management system. Through the course of excavating, there was construction debris found from when the field was originally built. This was very common from that era; they would fill in expanses of ground with the building debris from another site. Unfortunately, it was also common to bury hazardous materials in those building materials, such as asbestos. There was a higher cost for disposal of those materials. It is not a cause for concern for student playing on the field, but those materials did need to be properly disposed.

Will Como be able to plan their homecoming on their home field this year? Answer: Probably not due to the significant delay of the presence of the debris. Thanks to the Como staff and administration for their flexibility, and next year will be a great homecoming for the high school students.

Some of the changes at Como will be funded by a grant that we have through the Capital Regional Watershed District, which we have in partnership with the District, the City, and the Watershed District, to improve the water quality at Como Lake. There will be some cost sharing related to that grant and was included in the contract.

The next change order is related to the construction at Highland Park Elementary. There was a series of unforeseen conditions related to walls that needed to be corrected, some changes to the structural system based on our direction, and the relocation of an electrical transformer for power. As an organization, we anticipate and plan, as well as track and monitor our change order percentages. It's not only one of our internal key performance indicators (KPIs), but also a KPI that is sent to the Council

of the Great City Schools. We track and budget for 7-10% depending on the funding source for change orders, with our internal goal to keep them at 7% of the overall budget costs in line with the district averages.

The Board would like to echo the complement to the Como Park staff for their flexibility. They had to travel to practice, and are still off to a good start in the season. Thanks to the coaching staff and to the athletes.

Are those change orders built into the contingency plan? Had you planned ahead that this may happen? Answer: Absolutely. Anytime the Board approves a capital bond request, we earmark about 10% for contingency to cover situations like this. Unforeseen conditions do happen in construction and there is funding to cover these change orders.

Did these two numbers come within that 10% contingency? While the number for Como wasn't pulled, the construction update at Highland Park Elementary is less than 1.2% of overall cost for project, so yes. The Board also noted that one of their concerns is that as we look at the budgeted dollars for a particular year, or the projected cost for projects in the FMP for a given year, with these unforeseen conditions that stay within the contingency plan, does this jeopardize the future of the entire FMP and future projects? Answer: We take unforeseen costs very seriously. Every dollar we don't spend on unforeseen conditions can be reallocated to another project down the line. These are costs that are built into the project forecasting and financial needs. We want to make sure these costs are as low as possible for both the short-term and the long-term conversations.

The Board noted their concern for funding projects that we intended to provide during the original five-year plan, but running into a situation where there may not be funding for those original projects because of changes to the original plans. Should we be concerned? Answer: The concerns are valid. Be assured the staff does take these concerns seriously because of their desire to do this work and the perpetuity to the Board. We are in a great position because of the rolling five-year plan; we are always making new and future commitments with the ability to shuffle and rearrange priorities and evolve the implementation. In the situation where there would be such out of scale costs that it will affect future work, we would be able take that on in an informed way for systemic changes. We are never done with facilities work. The capital bonding and levy authority extend the perpetuity and recognition that our buildings will always need investment. Change orders and unforeseen costs will be a constant for us, especially considering the age of our buildings and construction. We are constantly monitoring them in the context system and programs we provide for the organization, while keeping commitments and long term aspirations and dreams to make our facilities as great as they can be – both the schools and athletic facilities.

The Board wanted to reiterate the communication with the progress of the FMP, both from a construction standpoint, and also a fiscal standpoint. We have made sound and wonderful decisions to upgrading the facilities in Saint Paul Public Schools, not only for the good of the students which is the most important aspect, but also because we are in a competitive world with other organizations. We want the facilities at SPPS to be the best possible, while also monitoring the budget.

Chief Finance Officer, Marie Schrul, thanked the Board for their fiscal monitoring. It is important to have accountability and balance; when the books are closed at the end of the year, the budget does need to balance. As we are going forward with the levy and the budget to fund the FMP, the Board and community will have input to set the levy. It's important to note the balance of the projects. There will be change orders for unforeseen conditions, but there will also be projects that are underspent too. We are doing all this for the students and bring good things to the district.

Can you tell us the degree of management in these sites under construction right now? Answer: We currently have \$234 million worth of construction under contract. That's an enormous amount of work for the district of which we are very excited. This work will improve the learning environments of 8,700 students, which is powerful for us as an organization.

MOTION: Mr. Schumacher moved the Board of Education to approve the consent agenda items pulled for separate consideration. The motion was seconded by Ms. Foster.

The motion was approved with the following roll call vote:

Mr. Marchese	Yes
Ms. Ellis	Yes
Ms. Foster	Yes

Mr. Brodrick	Yes
Mr. Vue	Yes
Ms. Vanderwert	Yes
Mr. Schumacher	Yes

X. OLD BUSINESS

A. Pay 18 Levy & Ceiling Set

As a follow-up to the September 12 COB Meeting where the levy proposal was first presented, Chief Schrul and Mary Gilbert, Legislative Liaison, provided updated figures on the Pay18 Levy and recommended actions regarding the levy.

Planning Assumptions

- All figures presented were based on the Administration’s best estimates, using the statutory authorized amounts.
- MDE provided updated Pay18 levy calculations on September 18th, 2017; they will continue to made adjustments to the SPPS numbers through September.
- Most districts certify their estimated maximum levy; it can only decrease once certified on October 1st.

The Basics

- School levy authority is established by law.
- School budgets are a combination of state, federal, and local funding, including the voter approved referendum.
- Unlike cities and counties, the Pay18 school levy funds the 2018-2019 school year.
- Levies contribute approximately 20% of the budget for SPPS.

Who Determines Your Property Tax?

- A combination of state legislature, taxing jurisdictions, and the county assessor all contribute to the overall property tax.
- Other major factors impacting property taxes include the property tax levy, state aid to reduce the local tax burden, a home’s market value compared to other homes or properties, increases to the tax base, and legislative changes

Factors Impacting the Saint Paul Levy

- Overall estimated market values are up 9.8% from prior year
- Double digit increases for a number of commercial, industrial, and apartment properties
- Residential is more moderate – areas of higher increases include Thomas/Dale, North End, Greater East Side, and West Seventh
- School portion of fiscal disparity aid increasing \$449,739 or 1.4%
- Changes to Saint Paul Right of Way/street maintenance program

Factors Impacting School Levies

- Changes in pupil counts
- Legislative changes to education formulas
- Referendum inflationary increase
- Pension contributions required by law
- OPEB obligations
- Employment changes that drive severance and unemployment levies
- Capital bonding, refunding of bonds, abatements, long term maintenance, health and safety projects, lease costs

SPPS Levy Categories

- Operating, Pension/OPEB/Contractual Obligations, Facilities, and Community Service

Proposed Pay18 Levy Ceiling

Levy Category	Certified Pay17 Levy	SPPS Estimated Pay18 Levy (as of 9/18/17)	Difference
Operating	\$ 47,134,881	\$ 49,200,100	\$ 2,065,219
Pension/OPEB/Contractual	37,545,436	38,930,211	1,384,775
Facilities	59,983,176	65,515,439	5,532,263
Community Service	3,406,163	3,626,763	220,600
Total – All Levy Categories \$	\$ 148,069,656	\$ 157,272,513	\$ 9,202,857
Percent Change			6.22%

The CFO reviewed the estimated annual property tax impact for residential and commercial/industrial properties.

She then reviewed the timeline for the Pay18 levy process.

MOTION: Mr. Brodrick moved the Board of Education approve the “maximum” Pay18 levy ceiling over certified Pay17 levy as reported by the Minnesota Department of Education (MDE) and that they set the Truth in Taxation (TNT) hearing date for Tuesday, December 5, 2017 at 6:00 pm (time certain) at 360 Colborne. The motion was seconded by Ms. Vanderwert.

The motion was approved with the following roll call vote:

Mr. Marchese	Yes
Ms. Ellis	Yes
Ms. Foster	Yes
Mr. Brodrick	Yes
Mr. Vue	Yes
Ms. Vanderwert	Yes
Mr. Schumacher	Yes

XI. NEW BUSINESS - None

XII. BOARD OF EDUCATION

A. Information Requests & Responses - none

B. Items for Future Agendas - none

C. Board of Education Reports/Communications

Chair Schumacher spoke about the Facing Race Awards, which was hosted and supported by the St. Paul Foundation. The Promise Neighborhoods was one of the awardees. Board Members went on to share their comments about the event. It was inspiring and wonderful recognition for the Promise Neighborhoods and they are a wonderful partner to SPPS. It's

important to raise up and promote their work, and the impact on families and students and in the district.

Chair Schumacher also spoke about the Saint Paul Area Chamber of Commerce Political Leadership event where the Board was nominated for an award for awareness and creativity in funding of land use and facilities. It was a testament to the work of our Facilities Department. While we didn't win the award, we were gracious to be nominated and the credit goes to the Facilities Department in their innovation.

The canvassing of the results of the school board election was also noted, and will be added to the November 14, 2017 Board of Education Meeting.

XIII. FUTURE MEETING SCHEDULE

MOTION: Mr. Schumacher moved the Board of Education to cancel the Tuesday, November 7th, 2017 Committee of the Board Meeting and reschedule it to Wednesday, November 8th, 2017 due to Election Day. Ms. Ellis seconded the motion.

The motion was approved with the following roll call vote:

Mr. Marchese	Yes
Ms. Ellis	Yes
Ms. Foster	Yes
Mr. Brodrick	Yes
Mr. Vue	Yes
Ms. Vanderwert	Yes
Mr. Schumacher	Yes

A. Board of Education Meetings (6:05 unless otherwise noted)

- September 23 | Board Retreat
7:30 a.m.
- October 4 | Closed Board Meeting
4:30 p.m.
- October 17 | Closed Board Meeting
4:30 p.m.
- October 17
- November 14
- December 19
- January 9, 2018 | Annual Meeting |
4:30 p.m.
- January 23
- February 20
- March 20
- April 24
- May 22
- June 12 | Special Meeting
Non-Renewals
- June 19
- July 17
- August 21

B. Committee of the Board Meetings (4:30 unless otherwise noted)

- October 3
- November 8
- December 5
- January 9, 2018 | 5:00 p.m.

- February 6
- March 6
- April 10
- May 8
- June 12
- July 17

XIV. ADJOURNMENT

The Chair moved the meeting adjourn, and Director Foster seconded the motion. It passed by acclaim.

The meeting adjourned at 7:41.

For clarity and to facilitate research, these minutes reflect the order of the original Agenda and not necessarily the time during the meeting the items were discussed.

Prepared and submitted by

Sarah Dahlke
Assistant Clerk,
St. Paul Public Schools Board of Education