

**MINUTES OF THE REGULAR MEETING OF THE SCHOOL BOARD
INDEPENDENT SCHOOL DISTRICT 271
Bloomington, Minnesota**

April 25, 2016

- I. ROLL CALL Pursuant to due call and notice thereof, and there being a quorum present, the School Board of Independent School District 271, was called to order by Chair Maureen Bartolotta at 7:00 p.m. on April 25, 2016, in the Arlene Bush Board Room at the Educational Services Center, 1350 West 106th Street, Bloomington, Minnesota.
- Members Present Maureen Bartolotta, Chair; Dawn Steigauf, Vice Chair; Nelly Korman, Clerk; Jim Sorum, Treasurer; Tom Bennett, Dick Bergstrom and Ric Oliva.
- Administration Present Les Fujitake, Eric Melbye, Rod Zivkovich, Mary Burroughs, and Rick Kaufman.
- Attorney Present David Holman.
- II. PLEDGE OF ALLEGIANCE Recited.
- Chair Maureen Bartolotta called for a motion to establish a closed session to follow tonight's study session for the purpose of negotiations discussion. So moved by Tom Bennett and seconded by Dawn Steigauf. Motion carried unanimously.
- III. APPROVAL OF THE AGENDA Ric Oliva moved, Dick Bergstrom seconded, approval of the agenda Motion carried unanimously.
- IV. RECOGNITION OF STUDENTS/STAFF/PUBLIC **Diversity Day T-Shirt Design Winner**—For the seventh year, the Human Rights Commission reviewed and selected the Diversity Day t-shirt design contest winner. Human Rights Commissioner Jared Leese recognized Jefferson sophomore Cole McClure as the 2016 contest winner. The original art is designed to incorporate the ideas of peace and diversity in Bloomington. Diversity Day 2016 is May 6. It is a collaborative community event held annually and co-sponsored by the District and the Human Rights Commission. The day features a keynote presentation, cultural exhibits and a peace run between the two high schools. This year's speaker is Wing Young Huie, a world-renowned Minnesota photographer whose projects explore a number of social issues such as immigration, race, adoption, urban and rural life, faith, gender, homelessness and youth culture. He uses photography as a societal mirror and window seeking to reveal not only what is hidden but also what is plainly visible and seldom noticed. The peace run will start at Jefferson and end at Kennedy. Both schools will have student cultural booth exhibitors.
- Jefferson students from Mr. Storlein's class fulfilling a requirement of our 12th grade government classes; observing a governmental meeting such as School Board, City Council, court proceeding, etc.

V. PART A

1. *Board Business*

Minutes

- a. Minutes of the Regular Meeting of the School Board on April 11, 2016.
- b. Licensed Personnel: Leave of Absence, Resignations, Employments, Changes of Status. Classified Personnel: Termination, Retirements, Resignations, Employments.

Personnel Items

2. *Contracts/Agreements*

MN Opportunity Corps
2016-2017

RESOLVED, that the School Board of Independent School District 271 approves an agreement between Minnesota Opportunity Corps and Independent School District 271 with respect to the assignment of one (1) Minnesota Opportunity Corps member to perform services to help program participants become more self-sufficient.

3. *Finance*

Donations

- a. RESOLVED, that the School Board of Independent School District 271 accepts donations, as indicated in the background, in the amount of \$18,430.09.

Finance Reports

- b. Statement of Revenues and Statement of Expenditures for the month of March 2016.

Receipts/ &
Disbursements

- c. Receipts and Disbursements as submitted for the month of March 2016.

Dick Bergstrom moved, Ric Oliva seconded, to approve Part A Items in accordance with all of the written material submitted to the School Board. Motion carried unanimously.

VI. PART B

Bid Award/
Temperature Controls
Washburn Elementary

Tom Bennett moved, Dawn Steigauf seconded, that the School Board of Independent School District 271 accepts the Siemens Industry, Inc. of Shoreview, Minnesota bid for temperature controls at Washburn Elementary School, and authorizes administration to enter into a contract with this vendor. Motion carried unanimously.

This project is identified in our 2016-2017 Alternative Facilities Plan and consists of updates, repairs and replacements at Washburn Elementary for a total of \$478,500. Funding for this project is from the Alternative Facilities Fund. The District's attorney and insurance agent of record have reviewed the AIA A132/CMA standardized contract that will be used with this contractor.

Affinity Solutions
Agreement

Dick Bergstrom moved, Ric Oliva seconded, that the School Board of Independent School District 271 approves the Affinity Solutions Agreement to provide a software bridge and module for student registration and activity fee payments, and authorizes administration to enter into an agreement with Affinity Solutions. Motion carried unanimously.

A software program and credit card processing system is needed to replace TIES Fee Pay. This software system will manage online registration and student activity fee payments. Affinity will bridge with Infinite Campus and allow parents/guardians to make online payments for student athletics and activity fees. A one-time set up fee of \$3,890 includes training.

Annual fees include software usage, hosting and technical support, secure storage gateway and PCI Website Scan totaling \$2,907. Transaction fees are \$0.35 each plus a 2.98% credit card processing fee.

PSEO Agreement
NCC 2016-2017

Dawn Steigauf moved, Nelly Korman seconded, that the School Board of Independent School District 271 approves extending the Post-Secondary Enrollment Option (PSEO) Agreement with Minnesota State Colleges and Universities (MNSCU) for the 2016-2017 school year at the same rates as the 2015-2016 school year. Motion carried unanimously.

This agreement includes Post-Secondary Enrollment Option (PSEO) services to be provided by Normandale Community College to the District for the 2016-2017 school year. Normandale Community College will provide courses, textbooks, other required course materials, and other services to the District at the same level as provided to general college students. The District will be billed by Normandale Community College per credit hour per student as follows:

Tuition Instruction	\$	135.79
Tuition Facilities	\$	25.40
Fees Facilities	\$	28.81
Textbook rental cost per credit	\$	35.00
Total	\$	225.00

Non-Renewal of
Probationary
Teaching Contracts

Dick Bergstrom moved, Ric Oliva seconded, that the School Board of Independent School District 271 adopts a separate resolution relating to the non-renewal of the teaching contract of probationary teachers for each of the following teachers: Adam Barlow, Susan Bentz, Madeline Boos, Elizabeth Gunckel, Julia Jensen, Paul Johnson, Melissa Krouth, Kimberly Laun, Andrea Mulry, Kimberley Peterson, John Polhill, Samantha Scott, and Megan Warren.

RESOLUTION RELATING TO THE NON-RENEWAL OF THE
TEACHING CONTRACT OF PROBATIONARY TEACHERS

RESOLVED, by the School Board of Independent School District 271, pursuant to Minnesota Statutes 122A.40, that the teaching contract of the above named probationary teachers in Independent School District 271, is hereby terminated at the close of the current 2015-2016 school year, June 30, 2016, and is not renewed for the 2016-2017 school year; and

BE IT RESOLVED FURTHER, that the Clerk of the School Board shall issue written notice to said teacher regarding non-renewal of the teacher's contract as provided by law, and that said notice shall be substantially in the following form:

NOTICE OF TERMINATION

You are hereby notified that at a regular meeting of the School Board of Independent School District 271, held April 25, 2016, a resolution was adopted by a majority roll call vote giving action that your teaching contract will not be renewed effective at the end of the school year, June 30, 2016, and is not renewed for the 2016-2017 school year. Said action of the Board is taken pursuant to M.S. 122A.40. You may officially request that the School Board gives its reason for the non-renewal of your teaching contract. However, such request must be received within ten (10) days after the receipt of this notice.

On roll call vote, all directors voted aye.

Mary Burroughs, Executive Director of Human Resources, indicated that this is an annual process to non-renew probationary teachers. Non-renewals can be due to class size, performance or other reasons. This action as recommended is a final action. Any subsequent action to return probationary teachers between now and the effective date of non-renewal based on course needs, retirements or resignations will be brought to the Board as rescission of this action for individually named teachers.

Administrative Update on Negotiations

Mary Burroughs, accompanied by members of the District's negotiating team of Rod Zivkovich, Paul Meyer and Dawn Steigauf, provided the School Board with an update on labor negotiations and addressed questions asked by parents, community members and stakeholders. The District and BFT negotiations teams have had nine bargaining sessions, which began in October 2015 (by mutual agreement) with the most recent session held today, April 25. Two mediation sessions have occurred—March 8 and April 7. Teachers and licensed staff (819.5 FTEs) are working under the terms and conditions approved in the 2013-2015 contract and will continue to do so until a new agreement is reached and approved. The average metro area teacher settlements are 2% and 2% for each year of a two-year contract. Some districts made the increase retroactive to January 2016 instead of July 2015. Comparing Bloomington's teacher pay on the salary schedule of our neighboring districts, our total cost would decrease. The salary schedule has Steps (years of service) and Lanes (educational degrees and credits). Bloomington's salary schedule consists of 15 Steps, including longevity increases at Steps 18, 23 and 28. Using certain cells on our 2014-2015 salary schedule comparing to Edina at the 2016-2017 contract, Bloomington is higher and Eden Prairie is slightly higher for a first year teacher with a BA. Comparisons also were shown for a BA+30 fourth year, MA in tenth year and MA+30 year 15. The highest paid does not hold true for every single teacher. Teacher work day—a Bloomington teacher duty day is 7 hours and 42 minutes compared to an 8 hour work day in neighboring districts of Burnsville, Eden Prairie, Edina, Richfield and West St. Paul. Contract year—A Bloomington teacher works 180 days compared to 184-185 in those neighboring districts.

In Bloomington, 362 teachers (44%) will receive an annual step increase ranging from 2%-7%. The average increase is 2% each year, 41% of our teachers on Step 12 and 15% of our teachers on longevity pay steps. On the salary schedule, 32% of our staff is on the MA lane and 28% on the MA+30 lane. The average lane salary increase is 2%-3% with the BA+20 to MA lane being 10%. Fund Balance—using reserves to fund a contract settlement is not sustainable. Once reserves are depleted, the only way to pay the ongoing increased salary costs is to cut staff, programs and services. The District's fund balance is 18%, in the middle of our neighboring districts. After another planned spend down, the fund balance will be 13% in 2016-2017. A fund balance is intended to bridge the gap when expenses are greater than revenue. The District's costs have exceeded its revenue for the past three years. District losses have totaled \$11.5 million over the last four years and is projected to total \$13.5 million by the end of 2017-2018. An additional 1% increase in salaries would result in an \$800,00 loss in 2015-2016, an additional \$1.7 million in 2016-2017 and an additional \$2.4 million in 2017-2018, a total of \$4.9 million. Looking at General Operations and Transportation Fund Balance spend down, next year's fund balance will be the lowest in 9 years. An additional 1% increase in salaries may lead to the fund balance going below the School Board policy (5%) threshold for 2017-2018 (\$7 million).

Minnesota Legislature gave 2% in increases this year and for 2016-2017—why can't the money be used for settlement? The District built the budget to include the increases in the formula revenue. However, the increase does not keep pace with inflationary costs and other fixed costs such as annual employee step and lane movements. The District receives funding from the following sources: 71.9% state, 21.6% levy, 3.6% federal and 2.9% other. Why won't Bloomington settle at the metro average of 2% per year? It is not financially responsible. We cannot sustain this type of increase at our current financial condition. If we did, we could face a potential \$6.2 million cut in 2017-2018. The result is a potential loss of 30-50 positions, increased class size and the elimination of programs. General Fund expenditures—the greatest share of the District budget is targeted to the classroom and schools. Instruction, pupil support services and instructional support services is 81% of the General Fund budget. Budget reductions will total \$10.1 million over a six-year period, including a planned \$2.5 million reduction in 2016-2017. If the District agreed to salary increases at the metro average, we face a potential \$6.2 million reduction for 2017-2018. No further bargaining or mediation sessions have been scheduled. The administrative update presentation is available on the District's website.

VII. BOARD MEMBER REPORTS

School Board members reported on a various meetings and activities including attendance and/or participation in the following: Indian Education annual public meeting, Special Education Community Advisory Council Special Caring Awards event, MSBA Community Engagement Seminar (Jim Sorum and Dick Bergstrom), Erik Paulsen speaker at Chamber Governmental Affairs Forum, Kennedy High School Open Door presentation wherein District Court judges attend social studies/government classes, principal negotiations session scheduled this week (Ric Oliva), Area 3 Rotary Vocational Ethics Day event, Labor Management Committee meeting, school carnivals, school PTSA meetings, Board Community Engagement Committee

meeting, Early Childhood Parent Advisory Committee meeting and activities, Valley View KinderPrep program visit, and AMSD meeting. The Bloomington United for Youth (BUY) Box City Vigil will be May 20-21 at Oak Grove Presbyterian Church.

VIII. SUPERINTENDENT'S
REPORT

Superintendent Les Fujitake announced that the district-wide food drive for VEAP began today. Artwork of 150 students will be on display at the Bloomington Art Center May 9th through May 30th. Richfield Bloomington Credit Union recently won an award for its work in financial education. The financial literacy curriculum is used at Kennedy High School and Richfield High School. We will be recognizing RBCU for this award at the next Board meeting (May 9).

IX. OTHER

None.

X. ADJOURNMENT

There being no further business to come before the School Board, the meeting was adjourned at 8:10 p.m. A study session and a closed session for negotiations followed the meeting.

Nelly Korman, Clerk