

**School Board Work Session
Tuesday, August 23, 2022; 5:00 PM
ECC Room 350 and Virtual**

- I. **Determination of Quorum and Call to Order**
- II. **Consent**
 - A. Audit Services for Fiscal Year 2022
 - B. Negotiated Contract – *to be walked in*
- III. **Discussion**
 - A. Edina Public Schools 2022 Residential Survey

Description: Morris Leatherman surveyed Edina residents and parents. This agenda item provides the results of that survey.

Presenter(s): Peter Leatherman, Morris and Leatherman Company
 - B. Countryside Construction Update

Description: Administration in partnership with Kraus-Anderson representatives will review with the school board the purpose for the construction projects at Countryside Elementary. Administration will also share an update on our partners in the work, the overall meeting schedule to inform stakeholders, and the specific improvements being made to the school. A general construction timeline will be presented and highlights from the Communication plan will be shared.

Presenter(s): Dr. Randy Smasal, Assistant Superintendent; Karen Bergman, Countryside Principal; Daphne Edwards, Director of Marketing and Communications; Eric Hamilton, Director of Buildings and Grounds; Dustin Kempf (Kraus-Anderson); and Scott Clancy (Kraus-Anderson)
 - C. Concord Elementary & Countryside Elementary Additions - Financing

Description: During the 2022 fiscal year the School Board approved a plan to add space to both the Concord Elementary and Countryside Elementary facilities. In order to finance the majority of the construction costs the District administration sought and received approval from the Minnesota Department of Education to utilize building lease levy authority. The District administration will request a resolution approving the intent to issue certificates of participation, including parameters for awarding the sale, from the School Board at its next regular meeting. The estimated aggregate par value of the issuance is \$14,655,000.

Presenter(s): Mert Woodard, Director of Business Services
 - D. Athletic Coach Stipend Recommendation for 2022-23, 2023-24, 2024-25

Description: In the fall of 2021, Edina Public Schools and EM/E agreed to remove all sport coaches stipends from the EM/E teacher contract. At the time, less than 15% of athletic coaches were teachers. Due to the later October 2021 contract settlement, it was determined by Troy Stein and John Toop to give the same 1.5% (about 3.2% with lane changes) raise to athletic coaches for 2021-2022. This was in line with the recently approved extracurriculars (Fine Arts, Activities, Clubs) in the EM/E contract. An Athletic Stipend Committee was formed in the spring of 2022 to determine a new salary schedule for athletic coaches. This report is the outcome of that planning.

Presenter(s): Troy Stein, Assistant Principal/Activities Director, Edina High School

IV. Report

A. Kids Club Hiring and Retention Strategy Update

Description: Community Education has taken multiple action steps for mitigating staff shortages at Kids Club, including adding one enrichment course at each elementary sites for Kids Club waitlisted families, continuation of EHS Education Career Pathway course recruitment, partnered with job service programs and recruitment agencies, and marketing incentive pay. On Tuesday, August 16 and Wednesday, August 17, Dr. Stanley, Rachel Hicks, and Anne Marie Leland held two forums for waitlisted families that were well attended. Parents were able to ask additional questions. Based on feedback from families, changes will be made to the registration process.

Presenter(s): Dr. Anne Marie Leland, Community Education & Strategic Partnerships Director

V. Board Chair Updates

VI. Superintendent Updates

VII. Adjournment

* One Board Member will participate virtually from 2629 Ingleton Lane, Sacramento, CA.



Board Meeting Date: 8/23/2022

Title: Audit Services for Fiscal Year 2022

Type: Action

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

Background: The firm of Malloy, Montague, Karnowski, Radosevich, & Co., P.A. (MMKR) has conducted the financial audit of the District since 1997. William Lauer is the consulting principal for the District's audit. The base fee for the fiscal year 2022 audit is \$38,600, however, with the significant amount of new federal funding available to Minnesota school districts during fiscal year 2022, the number of programs required to be tested, and the time to complete may increase over the prior years. Any additional testing required will be billed at standard hourly rates.

Recommendation: Appoint the audit firm of Malloy, Montague, Karnowski, Radosevich, & Co., P.A. to perform the audit of the District's financial statements for the 2022 fiscal year

Attachment(s):

1. MMKR Audit Engagement Letter



PRINCIPALS

Thomas A. Karnowski, CPA
Paul A. Radosevich, CPA
William J. Lauer, CPA
James H. Eichten, CPA
Aaron J. Nielsen, CPA
Victoria L. Holinka, CPA/CMA
Jaclyn M. Huegel, CPA
Kalen T. Karnowski, CPA

August 9, 2022

To the School Board and Management of
Independent School District No. 273
5701 Normandale Road
Edina, MN 55424

Dear School Board Members and Management:

We are pleased to confirm our understanding of the services we are to provide Independent School District No. 273 (the District) for the year ended June 30, 2022.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of the District as of and for the year ended June 30, 2022. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles (GAAP) and will be subjected to certain limited procedures, but will not be audited:

- 1) MD&A
- 2) GASB-required supplementary pension and other post-employment benefits information (as needed)

We have also been engaged to report on supplementary information, other than RSI, that accompanies District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America (GAAS), and we will provide an opinion on it in relation to the financial statements as a whole, in a separate written report accompanying our auditor's report on the financial statements OR in a report combined with our auditor's report on the financial statements:

- 1) Schedule of Expenditures of Federal Awards
- 2) Combining and individual fund statements and schedules
- 3) Uniform Financial Accounting and Reporting Standards Compliance Table

Malloy, Montague, Karnowski, Radosevich & Co., P.A.

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In connection with our audit of the basic financial statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

- 1) Introductory section
- 2) Other district information

We will perform the required State Legal Compliance Audit conducted in accordance with auditing standards generally accepted in the United States of America and the provisions of the *Legal Compliance Audit Guide*, promulgated by the State Auditor pursuant to Minnesota Statutes § 6.65, and will include such tests of the accounting records and other procedures we consider necessary to enable us to conclude that, for the items tested, the District has complied with the material terms and conditions of applicable legal provisions.

We will also prepare a management report for the District's School Board and administration. This report will communicate such things as our concerns regarding accounting procedures or policies brought to our attention during our audit, along with recommendations for improvements. The report will also contain certain financial comparisons and analysis, and a summary of legislative activity affecting Minnesota schools.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance, but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Auditor's Responsibilities for the Audit of the Financial Statements and Single Audit

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts; and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

- 1) Management override of controls
- 2) Constructed capital asset additions
- 3) Significant estimates inherent in state aid revenues and receivables recognized

At this time, audit planning has not concluded and modifications may be made to significant risks of material misstatement. If modifications are made, we will communicate them to you.

We may, from time to time and depending on the circumstances, use third party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third party service provider. Furthermore, we will remain responsible for the work provided by any such third party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures – Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under the American Institute of Certified Public Accountants (AICPA) professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures – Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *Office of Management and Budget Compliance Supplement (OMB Compliance Supplement)* for the types of compliance requirements that could have a direct and material effect on each of the District's major programs. For federal programs that are included in the *OMB Compliance Supplement*, our compliance and internal control procedures will relate to the compliance requirements that the *OMB Compliance Supplement* identifies as being subject to audit. The purpose of these procedures will be to express an opinion on the District's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements, Schedule of Expenditures of Federal Awards, and related notes of the District in conformity with accounting principles generally accepted in the United States of America and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, Schedule of Expenditures of Federal Awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statements, Schedule of Expenditures of Federal Awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, the Schedule of Expenditures of Federal Awards, and related notes and that you have reviewed and approved the financial statements, the Schedule of Expenditures of Federal Awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements and Single Audit

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, Schedule of Expenditures of Federal Awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal statutes), rules, and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, Schedule of Expenditures of Federal Awards, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; Schedule of Expenditures of Federal Awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the District involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review at the scheduled time of our audit.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the Schedule of Expenditures of Federal Awards (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the Schedule of Expenditures of Federal Awards in any document that contains, and indicates that we have reported on, the Schedule of Expenditures of Federal Awards. You also agree to include the audited financial statements with any presentation of the Schedule of Expenditures of Federal Awards that includes our report thereon OR make the audited financial statements readily available to intended users of the Schedule of Expenditures of Federal Awards no later than the date the Schedule of Expenditures of Federal Awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the Schedule of Expenditures of Federal Awards in accordance with the Uniform Guidance; (2) you believe the Schedule of Expenditures of Federal Awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the Schedule of Expenditures of Federal Awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, Schedule of Expenditures of Federal Awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

We will provide copies of our reports to the District; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Malloy, Montague, Karnowski, Radosevich & Co., P.A. (MMKR) and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a cognizant or oversight agency for audit or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of MMKR personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the cognizant agency, oversight agency for audit, or pass-through entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

William J. Lauer, CPA, is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit shortly after the end of the fiscal year and to issue our report no later than December 31, 2022.

Our fees for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.). Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. Unless additional work is requested or circumstances require additional work, our estimated fee for the services described above is not to exceed \$40,900.

The fees quoted above include an estimate for a Single Audit of Federal Awards Expenditures, based on a typical year for your district. With the significant amount of new federal funding available to Minnesota school districts for the fiscal year ended June 30, 2022, the number of programs required to be tested and time to complete may increase over the prior year. Any additional testing required will be billed at our standard hourly rates.

In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination.

The fees charged are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If we find that additional audit procedures are required, or if additional services are requested by the District, those services will be billed at our standard hourly rates. Additional audit procedures might be required for certain accounting issues or events such as new contractual agreements, new accounting and auditing standards, transactions and legal requirements of new bond issues, new funds, major capital projects, or if there is an indication of misappropriation or misuse of public funds, or if significant difficulties are encountered due to the lack of accounting records, incomplete records, or turnover in the District's staff. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

During the year, you might request additional services such as routine advice, assistance in implementing audit recommendations, review of your projections or budgets, and other similar projects. Independence standards allow us to perform these routine services; however, it is important that you understand that we are not allowed to make management decisions, perform management functions, nor can we audit our own work or provide nonaudit services that are significant to the subject matter of the audit.

Our audit engagement ends on delivery of our audit report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

Please be aware that e-mail is not a secure method of transmitting data. It can be intercepted, read, and possibly changed. Due to the large volume of e-mails sent daily, the likelihood of someone intercepting your e-mail is relatively small, but it does exist. We will communicate with you via e-mail, if you are willing to accept this risk.

To ensure that MMKR's independence is not impaired under the AICPA Code of Professional Conduct, you agree to inform the engagement principal before entering into any substantive employment discussions with any of our personnel.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

If you intend to publish or otherwise reproduce the financial statements, such as in a bond statement, and make reference to our firm name, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

If a dispute occurs related in any way to our services, our firm and the District agree to discuss the dispute and, if necessary, to promptly mediate in a good faith effort to resolve it. We will agree on a mediator, but if we cannot, either of us may apply to a court having personal jurisdiction over the parties for appointment of a mediator. We will share the mediator's fees and expenses equally, but otherwise will bear our own attorney fees and costs of the mediation. Participation in such mediation shall be a condition to either of us initiating litigation. To allow time for the mediation, any applicable statute of limitations shall be tolled for a period not to exceed 120 days from the date either of us first requests in writing to mediate the dispute.

The mediation shall be confidential in all respects, as allowed or required by law, except that our final settlement positions at mediation shall be admissible in litigation solely to determine the identity of the prevailing party for purposes of the awarding of attorney fees.

We both recognize the importance of performing our obligations under this agreement in a timely way and fully cooperating with the other. In the event that either of us fails to timely perform or fully cooperate, the other party may, in its sole discretion, elect to suspend performance or terminate the agreement regardless of the prejudice to the other person. We agree we will give 10 days' written notice of an intent to suspend or terminate, specifying the grounds for our decision, and will give the other an opportunity to cure the circumstances cited as grounds for that decision. In the event of suspension or termination, all fees and costs are immediately due on billing.

We agree that it is important that disputes be discussed and resolved promptly. For that reason, we agree that, notwithstanding any other statutes of limitations or court decisions concerning them, all claims either of us may have will be barred unless brought within one year of the date the complaining party first incurs any damage of any kind, whether discovered or not, related in any way to acts or omissions of the other party, whether or not the complaining party seeks recovery for that first damage and whether or not we have continued to maintain a business relationship after the first damage occurred. Notwithstanding anything in this letter to the contrary we agree that regardless of where the District is located, or where this agreement is physically signed, this agreement shall have been deemed to have been entered into at our office in Hennepin County, Minnesota, and Hennepin County shall be the exclusive venue and jurisdiction for resolving disputes related to this agreement. This agreement shall be interpreted and governed under the laws of Minnesota.

When requested, *Government Auditing Standards* require that we provide you with a copy of our most recent external peer review report and any subsequent peer review reports received during the period of the contract. Our most recent peer review report accompanies this letter.

Reporting

We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the School Board and management of the District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis of matter or other matters paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.


The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

We will also provide a report (that does not include an opinion) on the District's compliance with applicable provisions of the *Minnesota Legal Compliance Audit Guide*, promulgated by the State Auditor pursuant to Minnesota Statutes § 6.65. The report will state (1) whether, in connection with our audit, anything came to our attention that caused us to believe that the District failed to comply with the applicable provisions of the *Minnesota Legal Compliance Audit Guide*, insofar as they relate to accounting matters, and (2) that the purpose of the report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. The report will also state that the report is not suitable for any other purpose.

We appreciate the opportunity to be of service to the District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign where indicated and e-mail it to mmkr@mmkr.com.

Sincerely,

MALLOY, MONTAGUE, KARNOWSKI, RADOSEVICH & CO., P.A.

A handwritten signature in cursive script that reads "William J. Lauer".

William J. Lauer, CPA
Principal

WJL:mmmb

Response:

This letter correctly sets forth the understanding of Independent School District No. 273.

School Board Representative

District Management Representative

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____



Board Meeting Date: 8/23/2022

TITLE: EPS 2022 Residential Survey

TYPE: Discussion

PRESENTER(S): Peter Leatherman, Morris and Leatherman Company

BACKGROUND: Morris Leatherman surveyed Edina residents and parents. This agenda item provides the results of that survey.

RECOMMENDATION: Learn about the results of the community survey.

DESIRED OUTCOMES FROM THE BOARD: Review presentation and bring any questions you might have.

ATTACHMENTS:

1. Edina Public School District Survey Presentation

Edina Public School District

2022 Residential Survey

Morris Leatherman Company

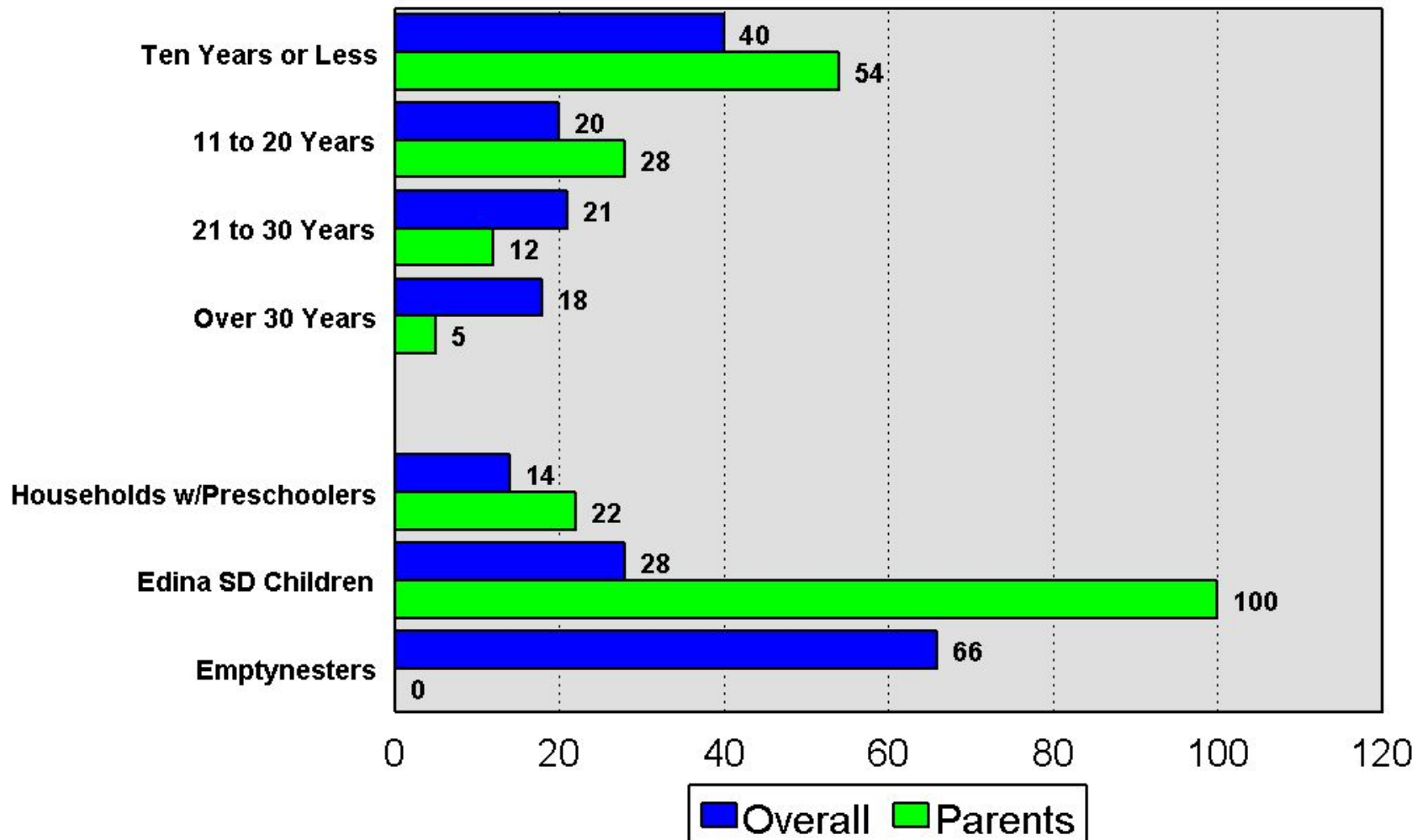
Survey Methodology

2022 Edina School District

- ☒ 400 random sample of Edina School District residents.
 - ☒ Results projectable within +/-5.0% in 95 out of 100 cases
- ☒ 400 random sample of Edina School District parents.
 - ☒ Results projectable within +/-5.0% in 95 out of 100 cases
- ☒ Average interview time of 15 minutes
- ☒ Non-response level of 5.5%
- ☒ Telephone interviews conducted between May 16th and June 10th, 2022

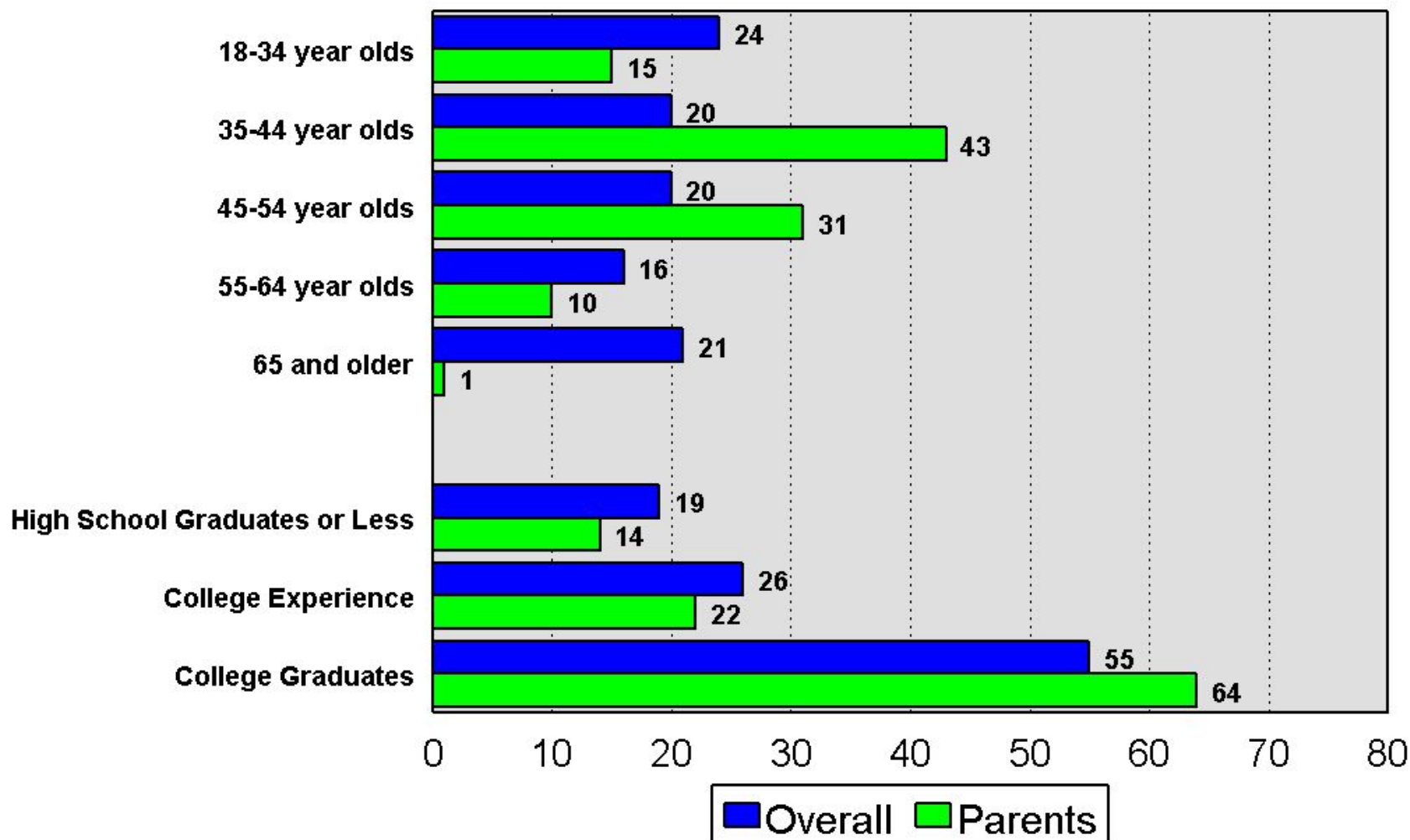
Demographics I

2022 Edina School District



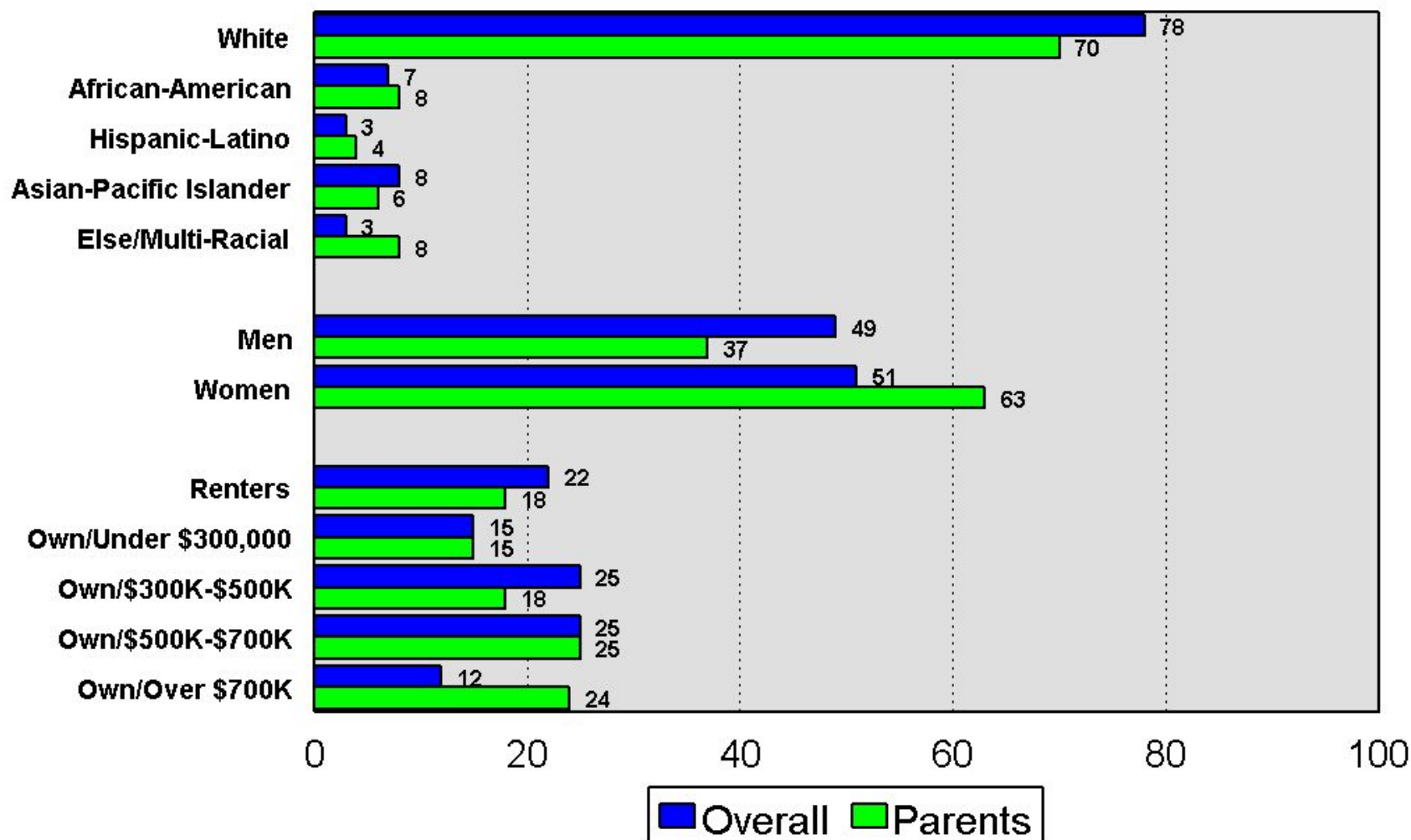
Demographics II

2022 Edina School District



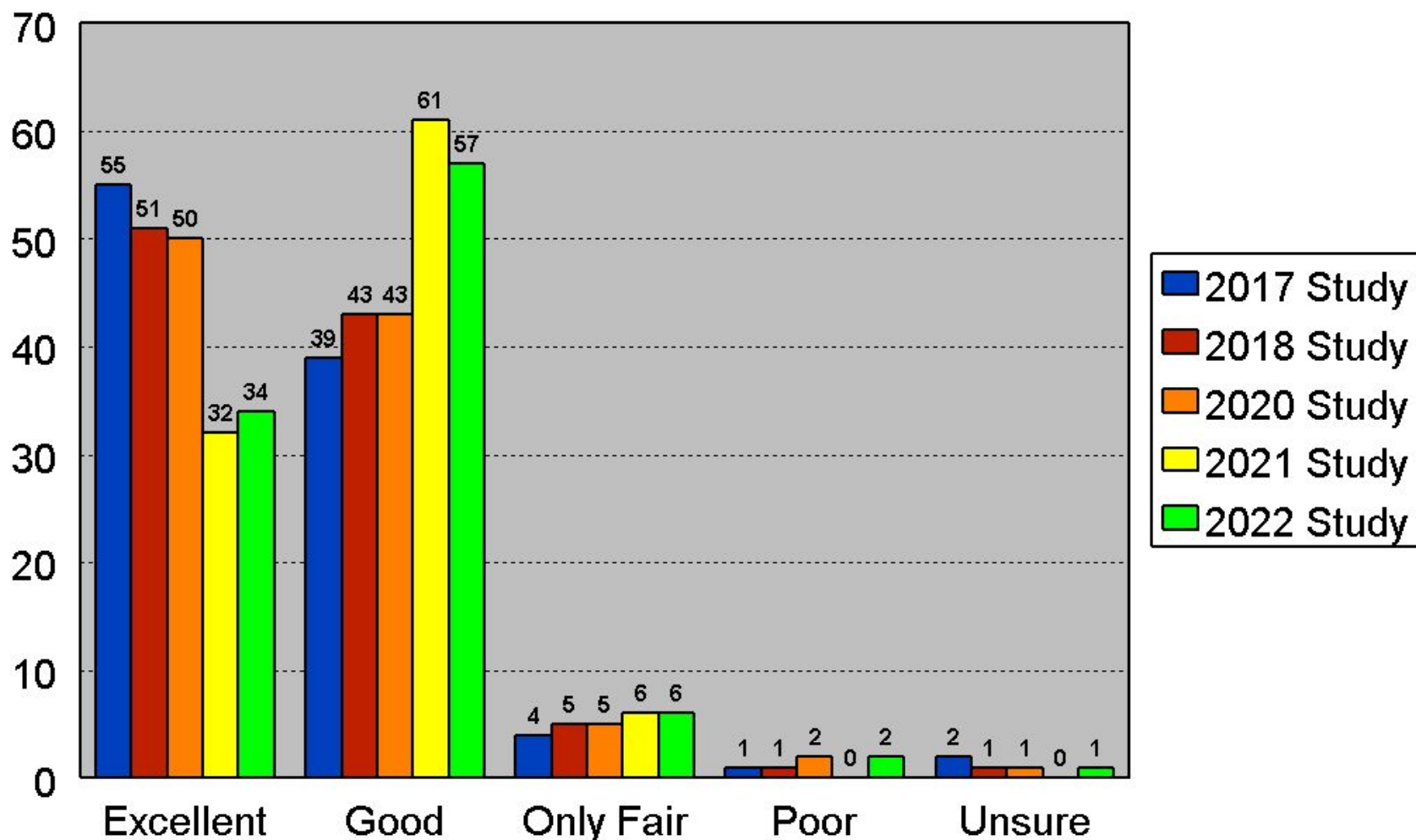
Demographics III

2022 Edina School District



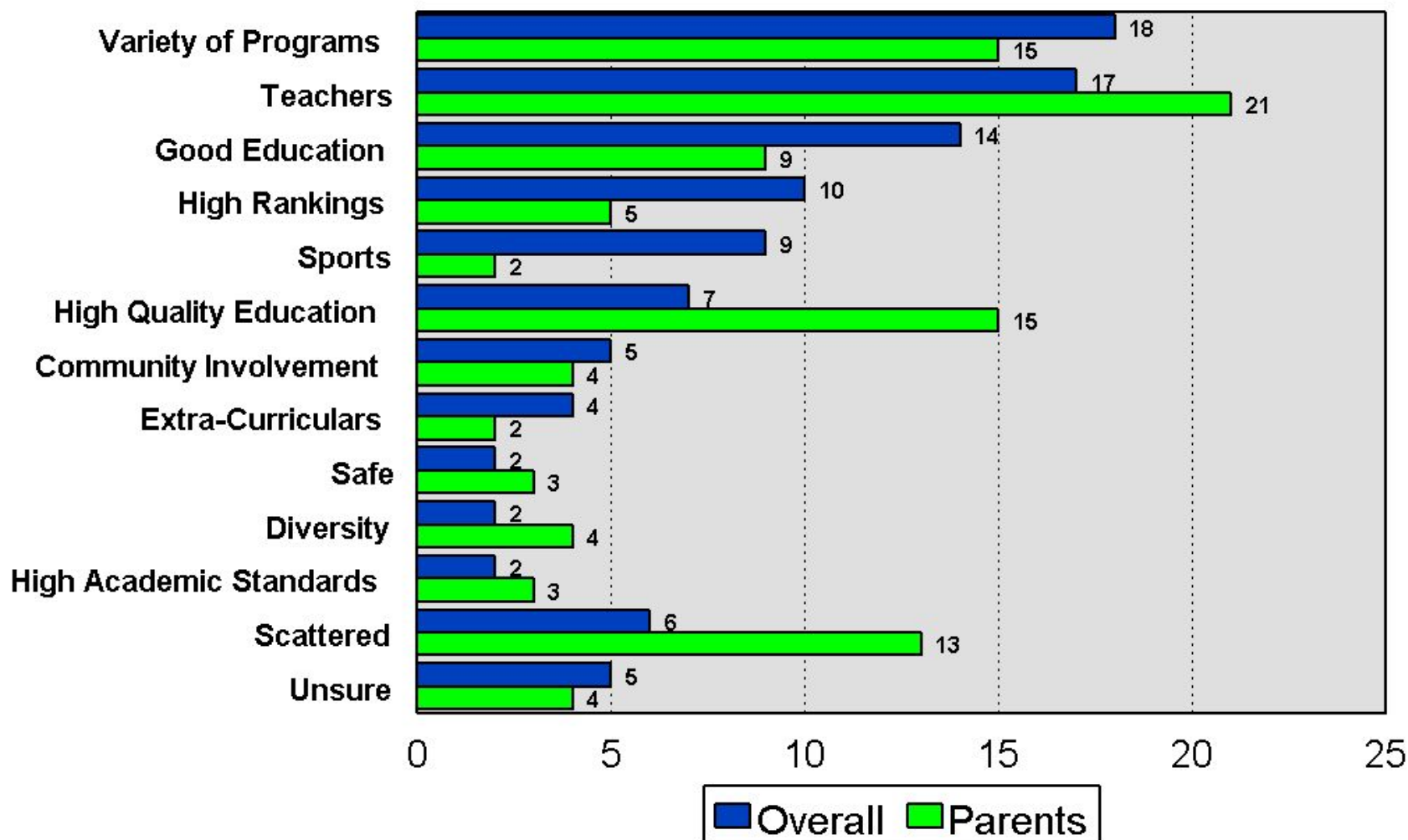
Quality of Public Schools

2022 Edina School District



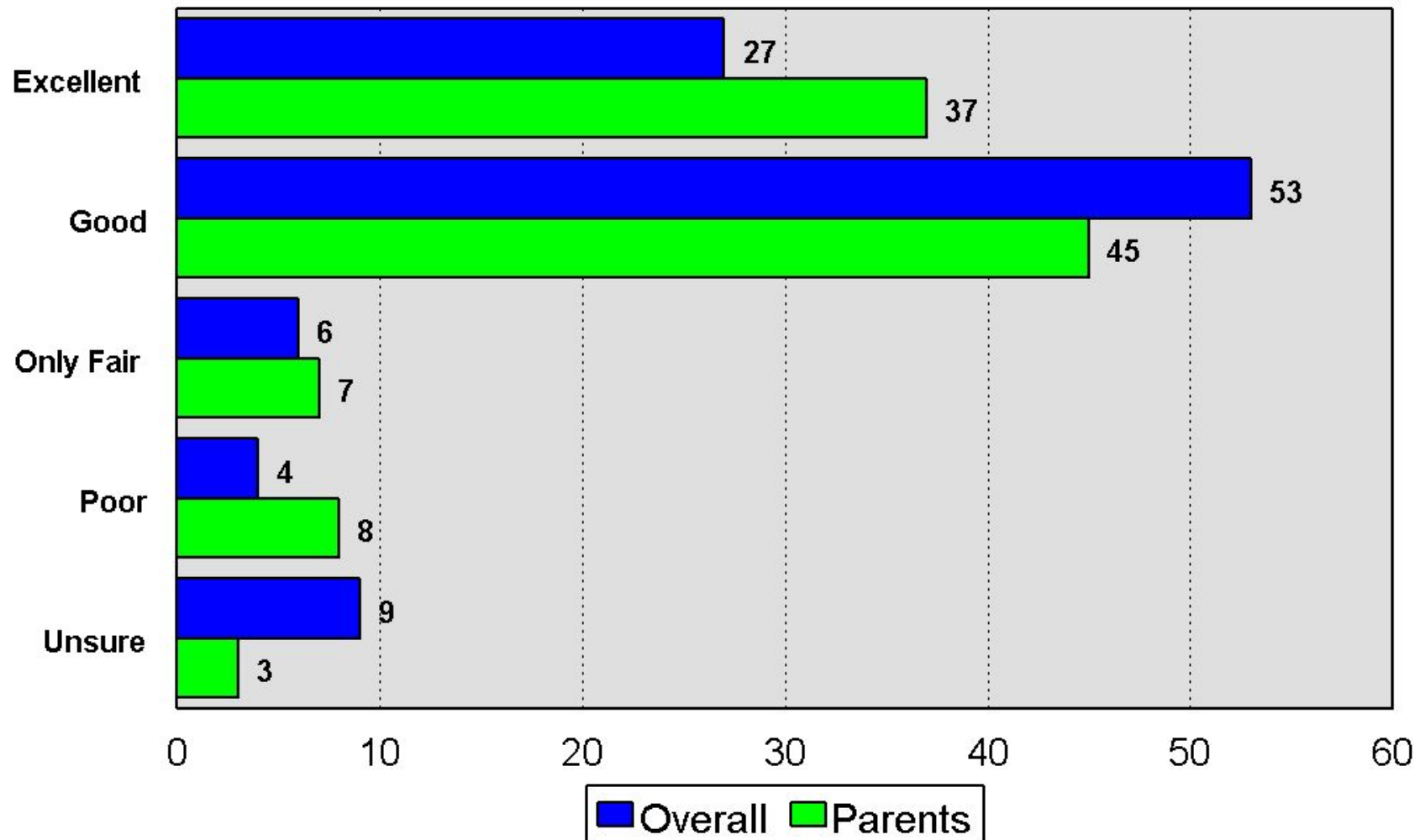
Like Most about Edina Public Schools

2022 Edina School District



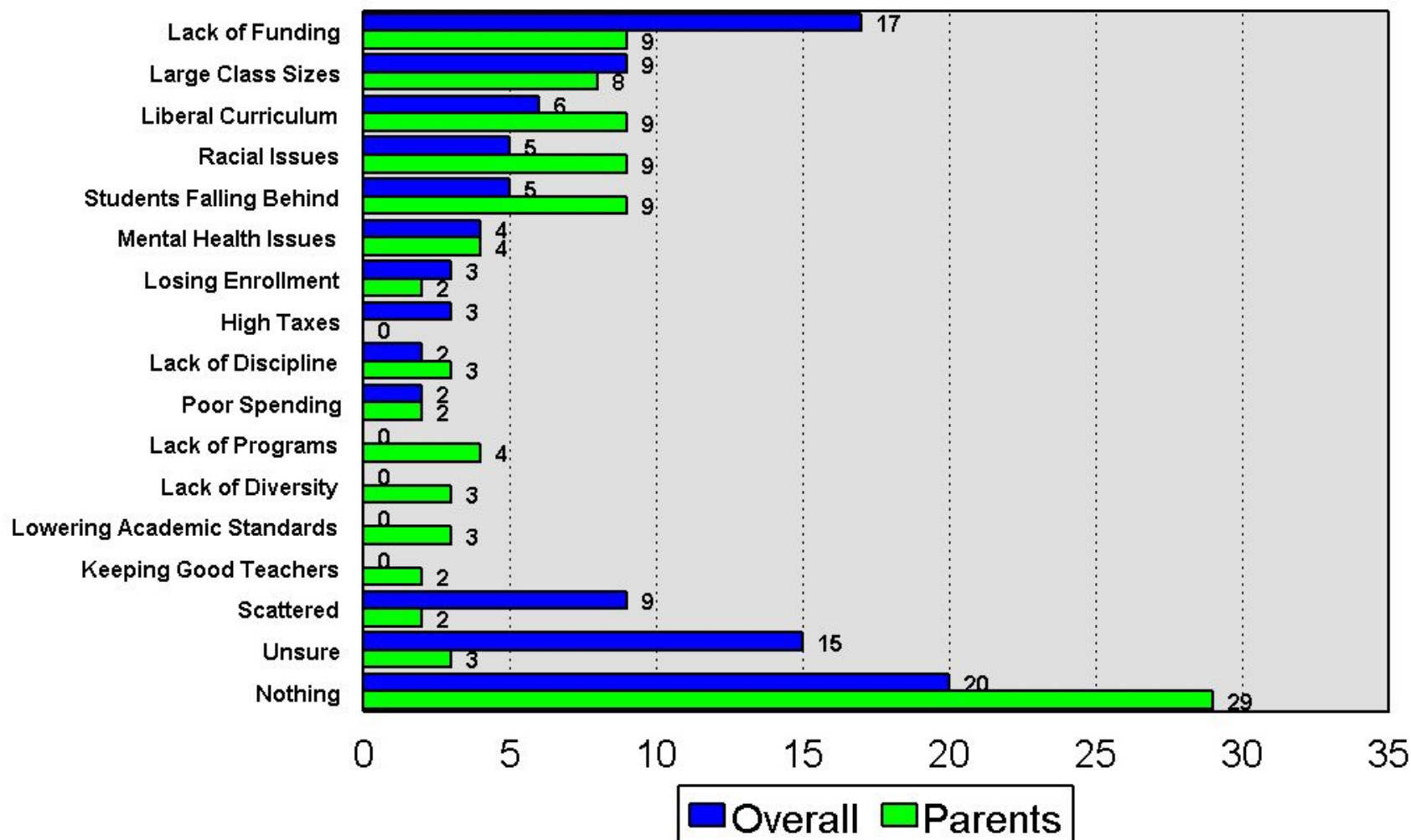
Handling COVID-19 Pandemic

2022 Edina School District



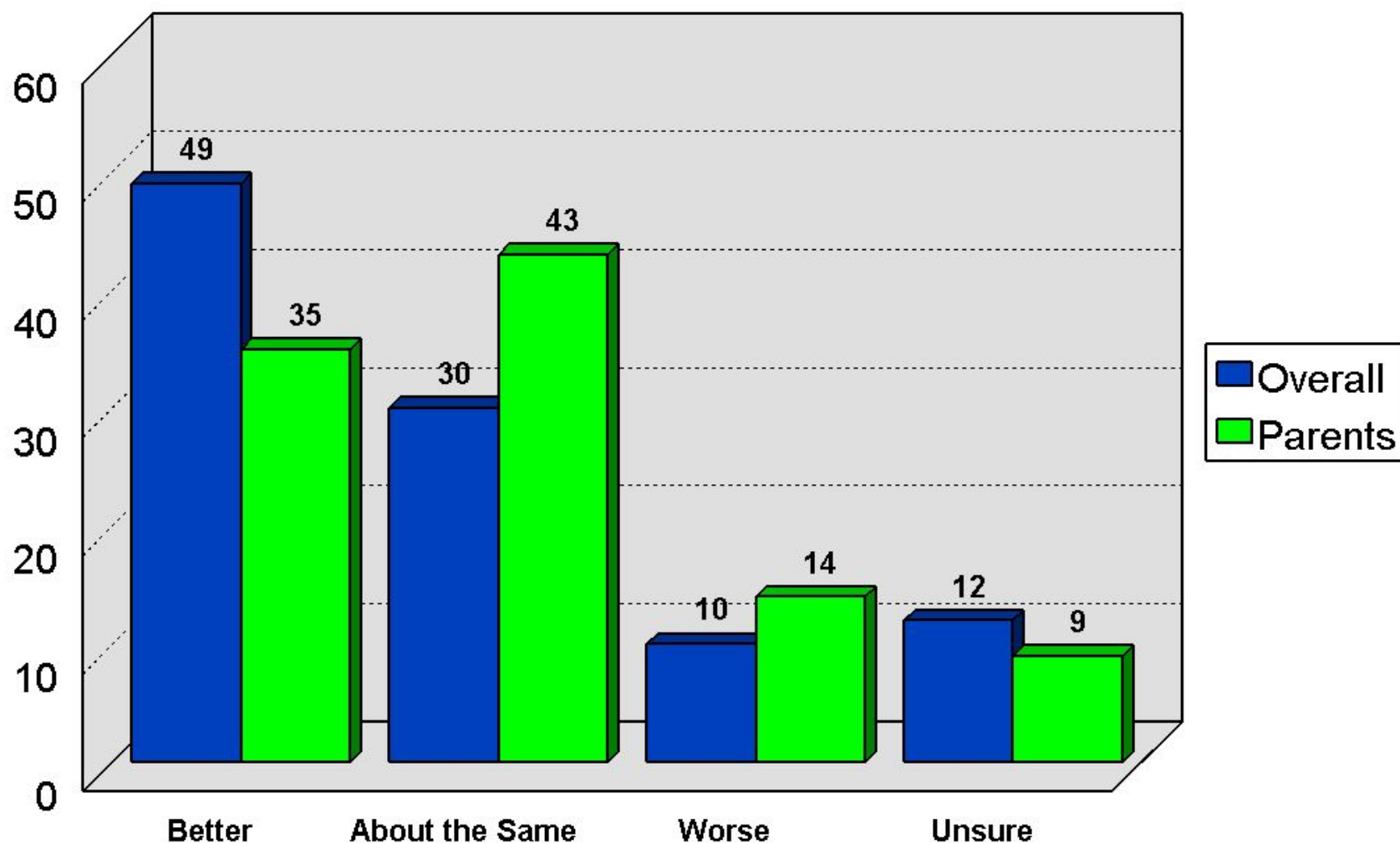
Most Serious Issue

2022 Edina School District



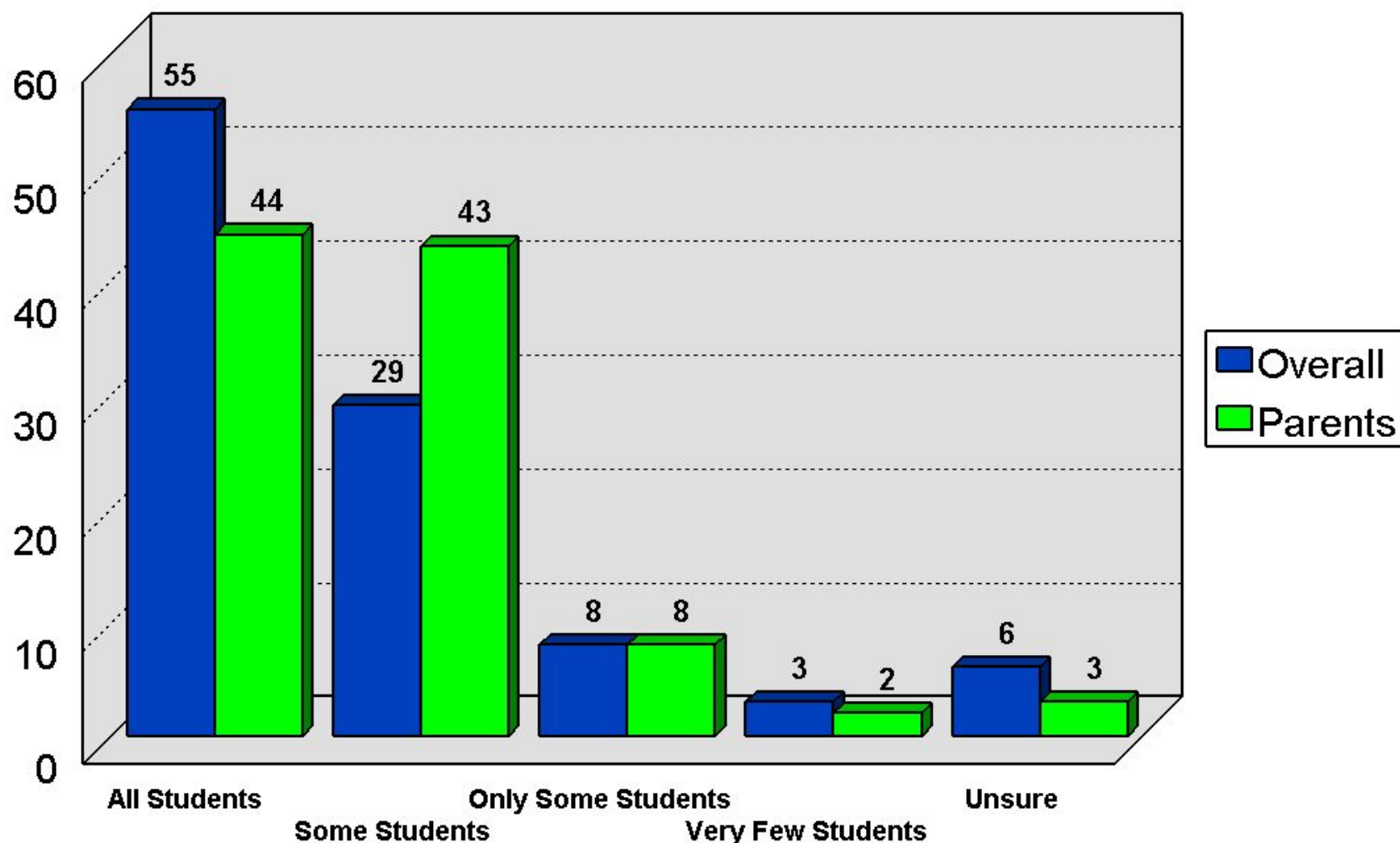
Quality Compared to Three Years Ago....

2022 Edina School District



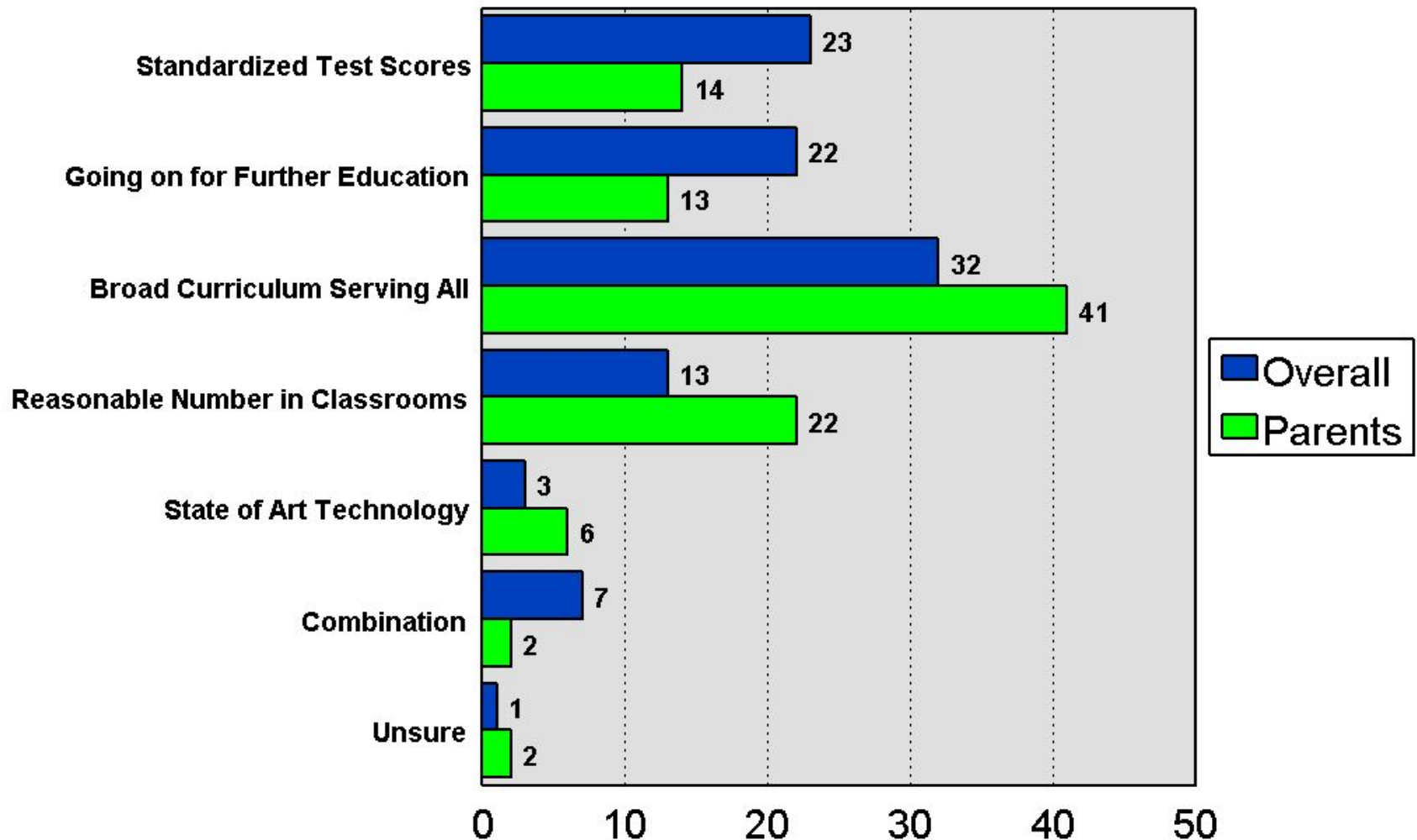
Meet Learning Needs of....

2022 Edina School District



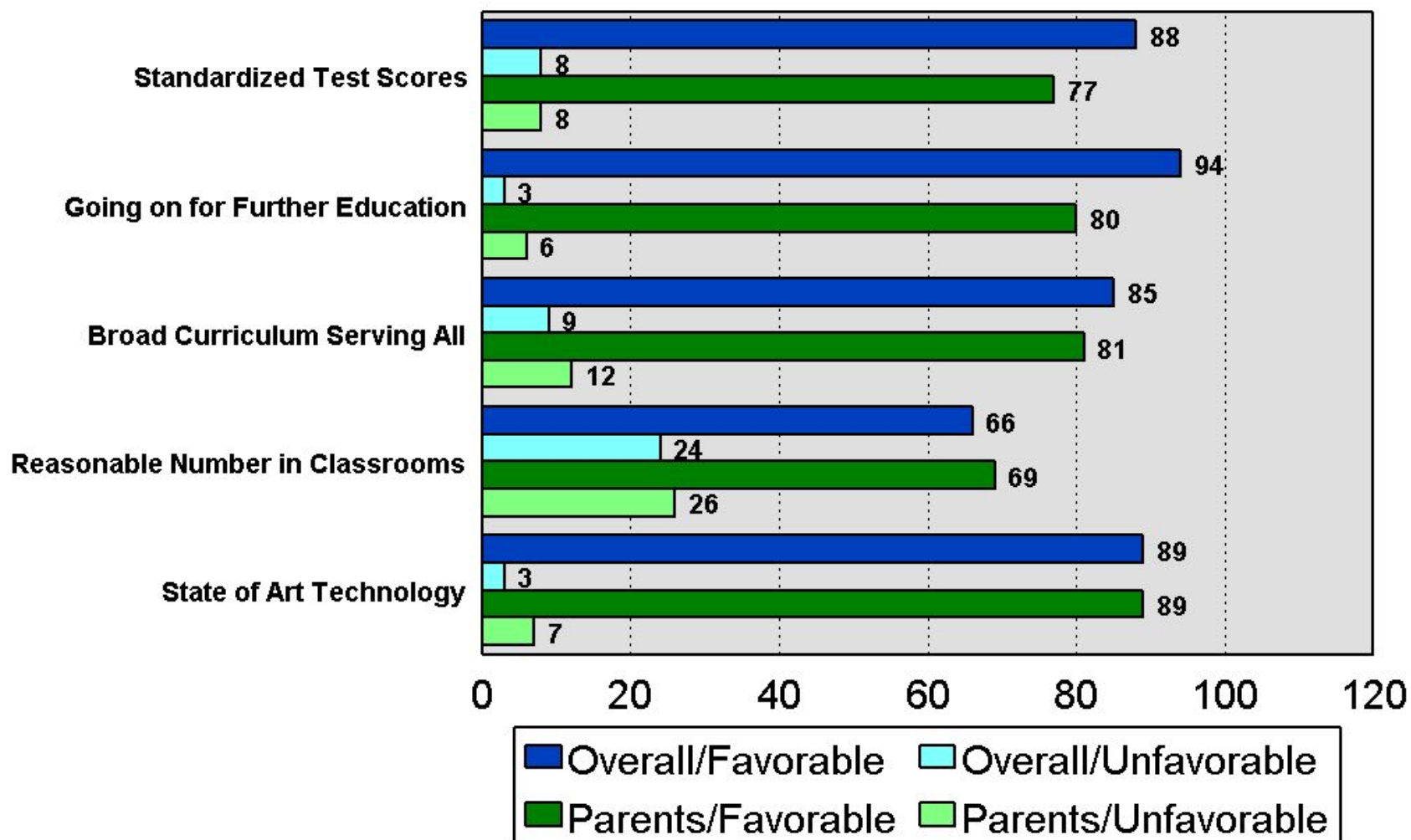
Most Important Indicator of High Quality Education

2022 Edina School District



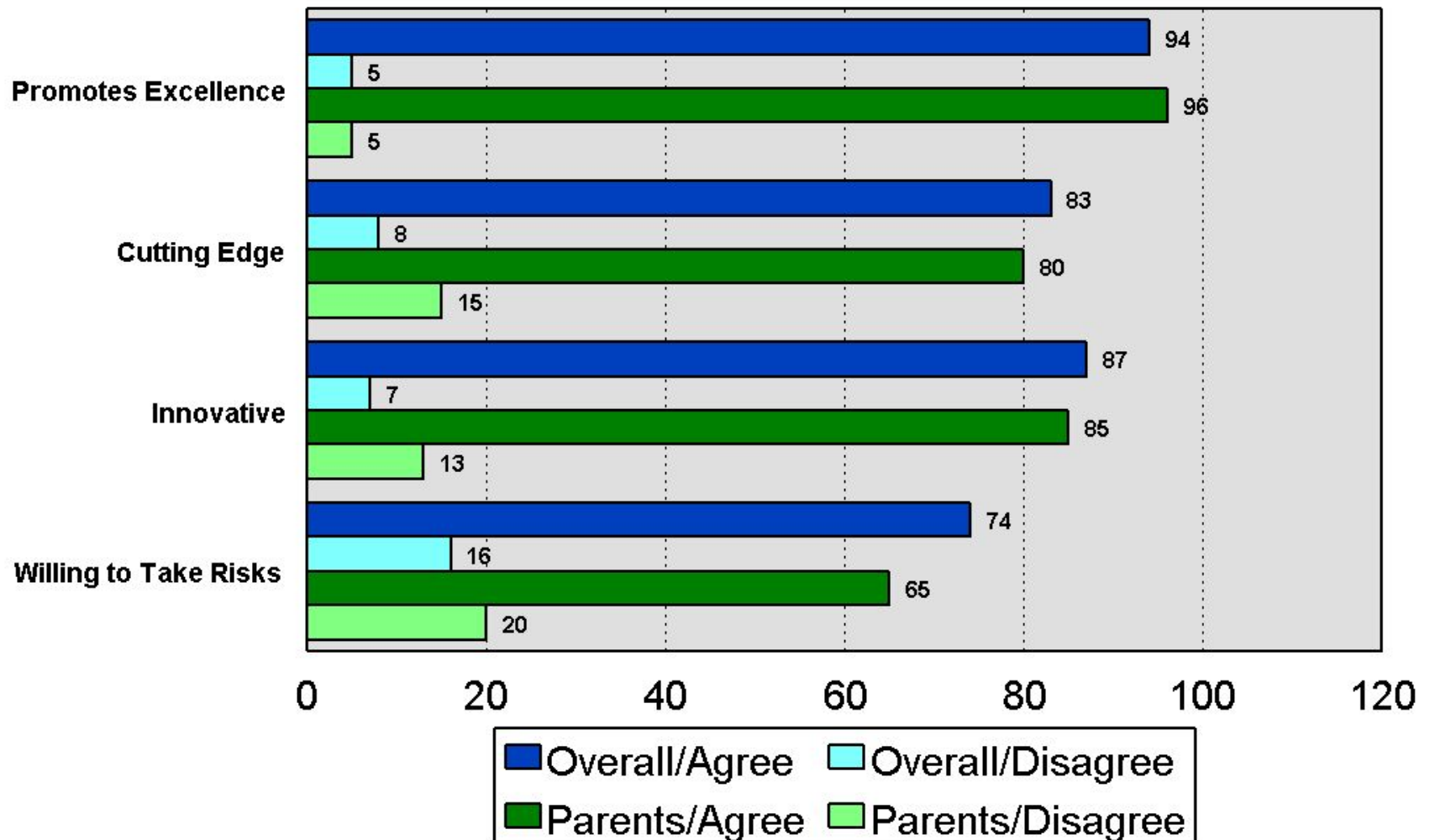
Rating of Edina SD on Each Indicator

2022 Edina School District



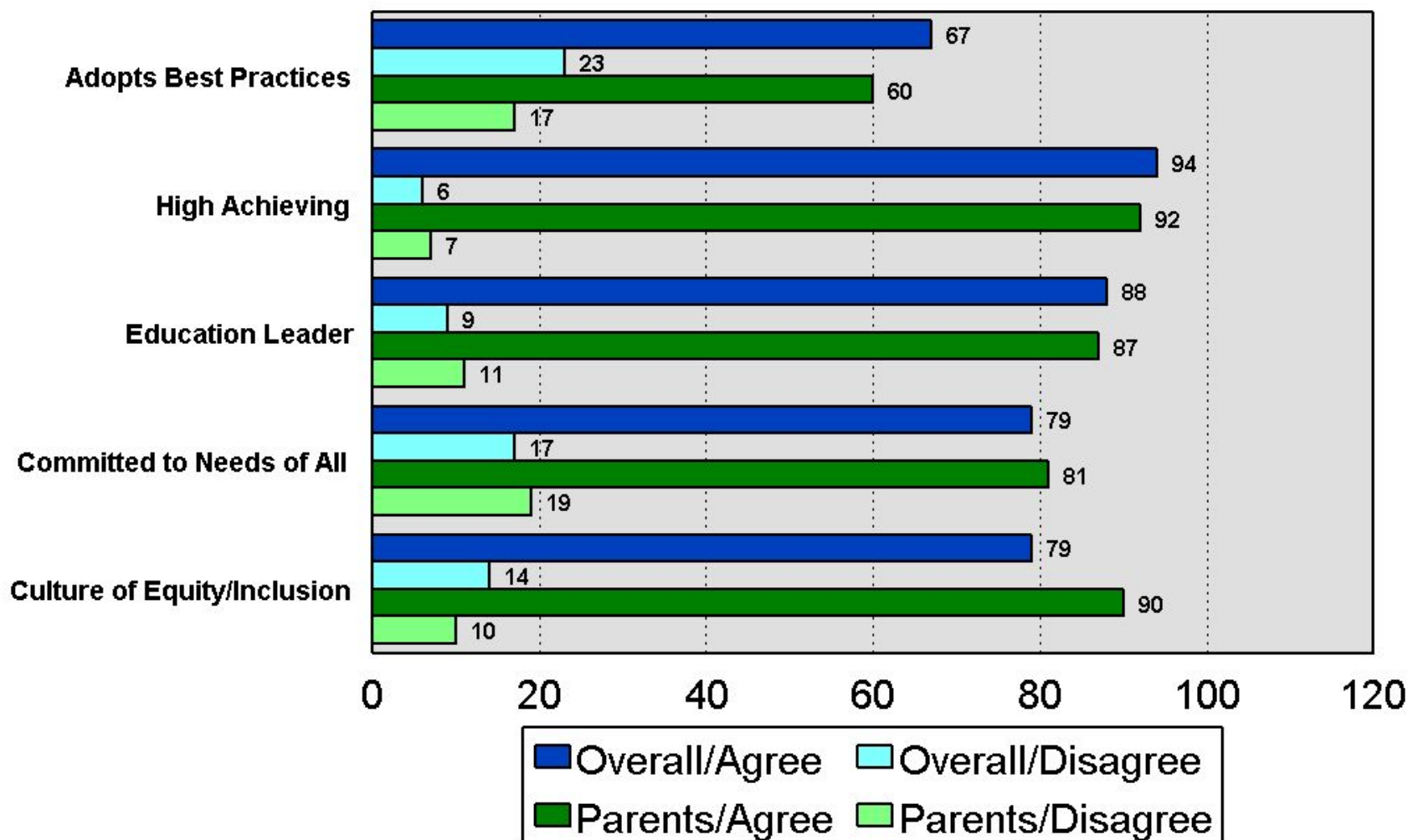
Description of Edina Public Schools I

2022 Edina School District



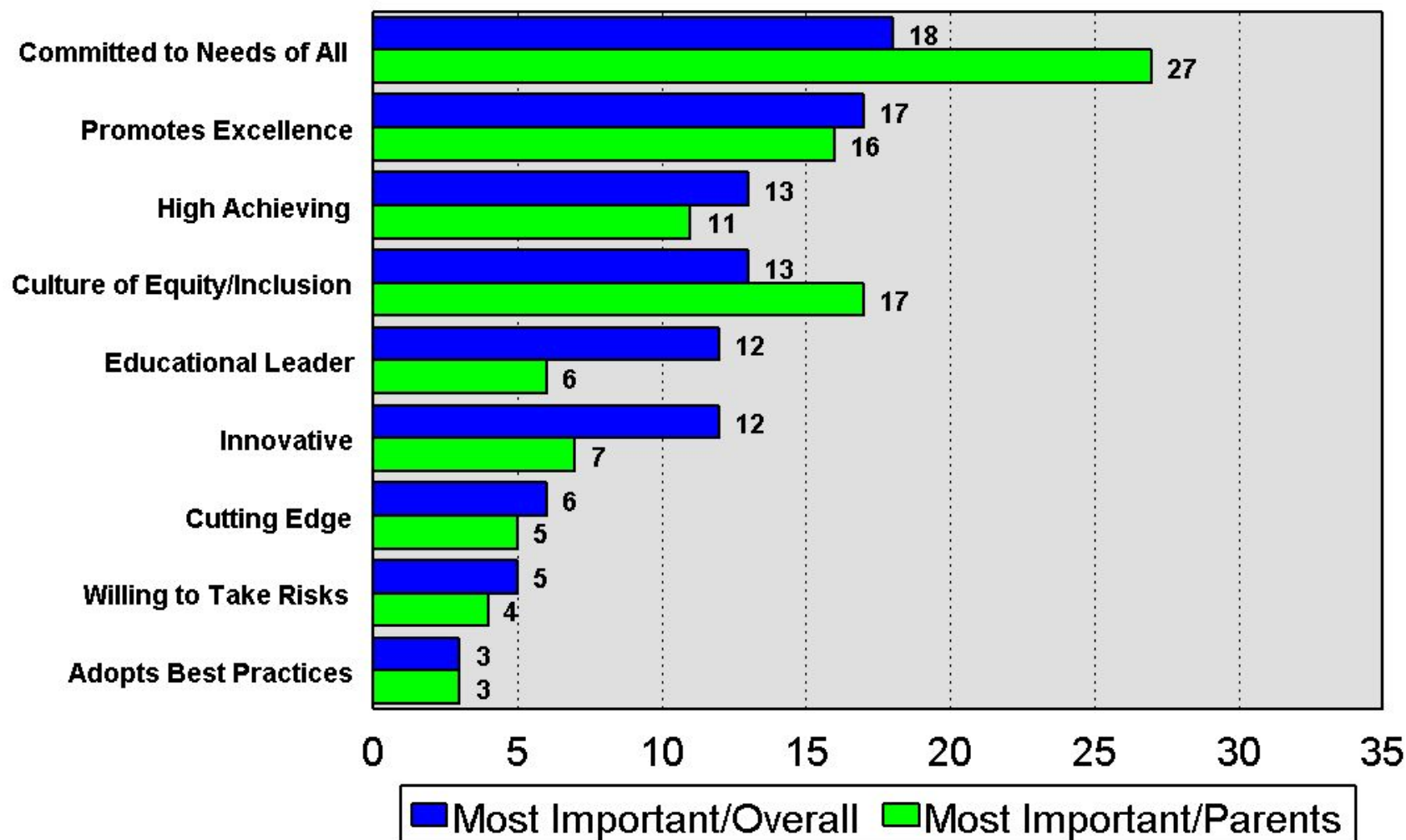
Description of Edina Public Schools II

2022 Edina School District



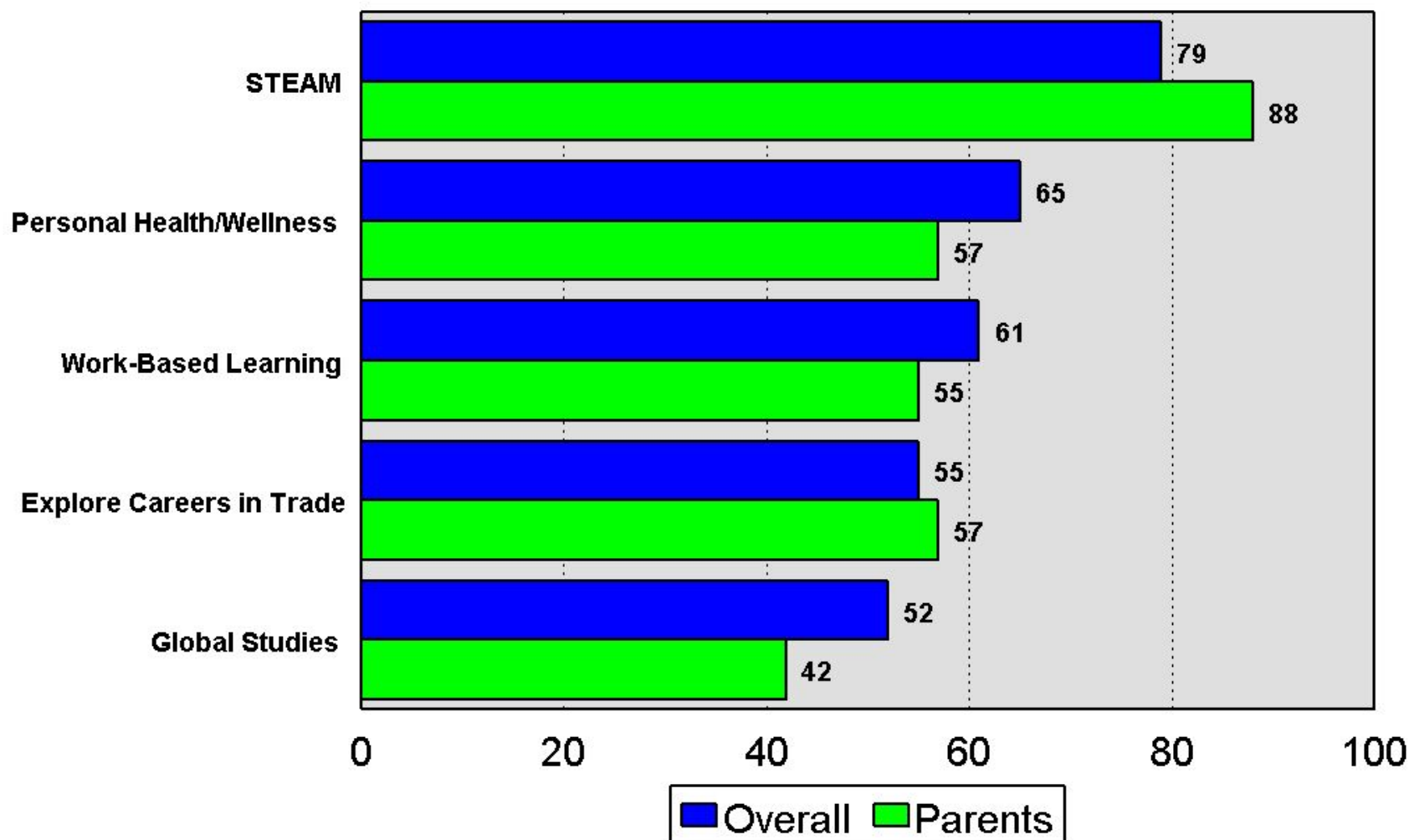
Description of Edina Public Schools III

2022 Edina School District



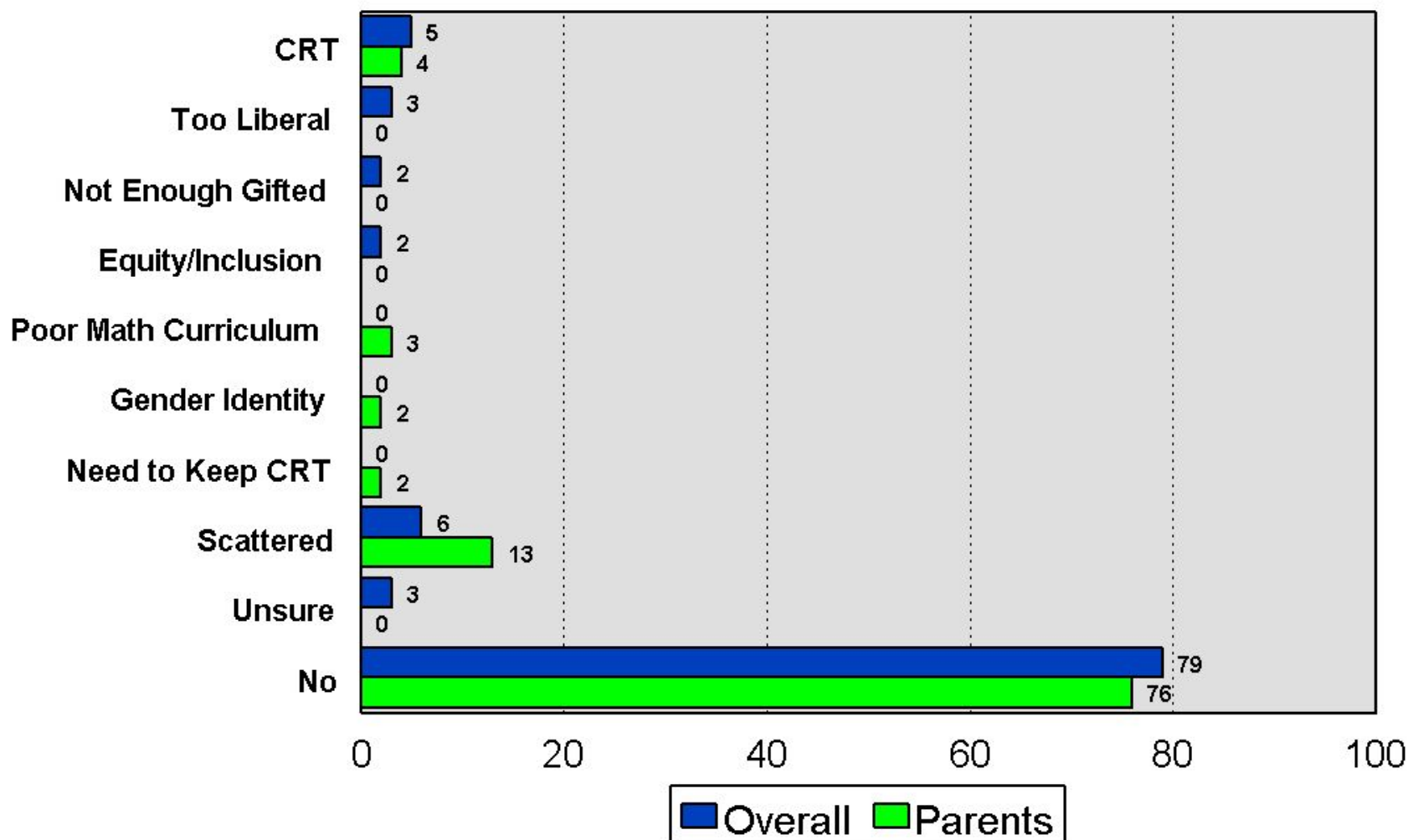
“Very Important” Area of Study

2022 Edina School District



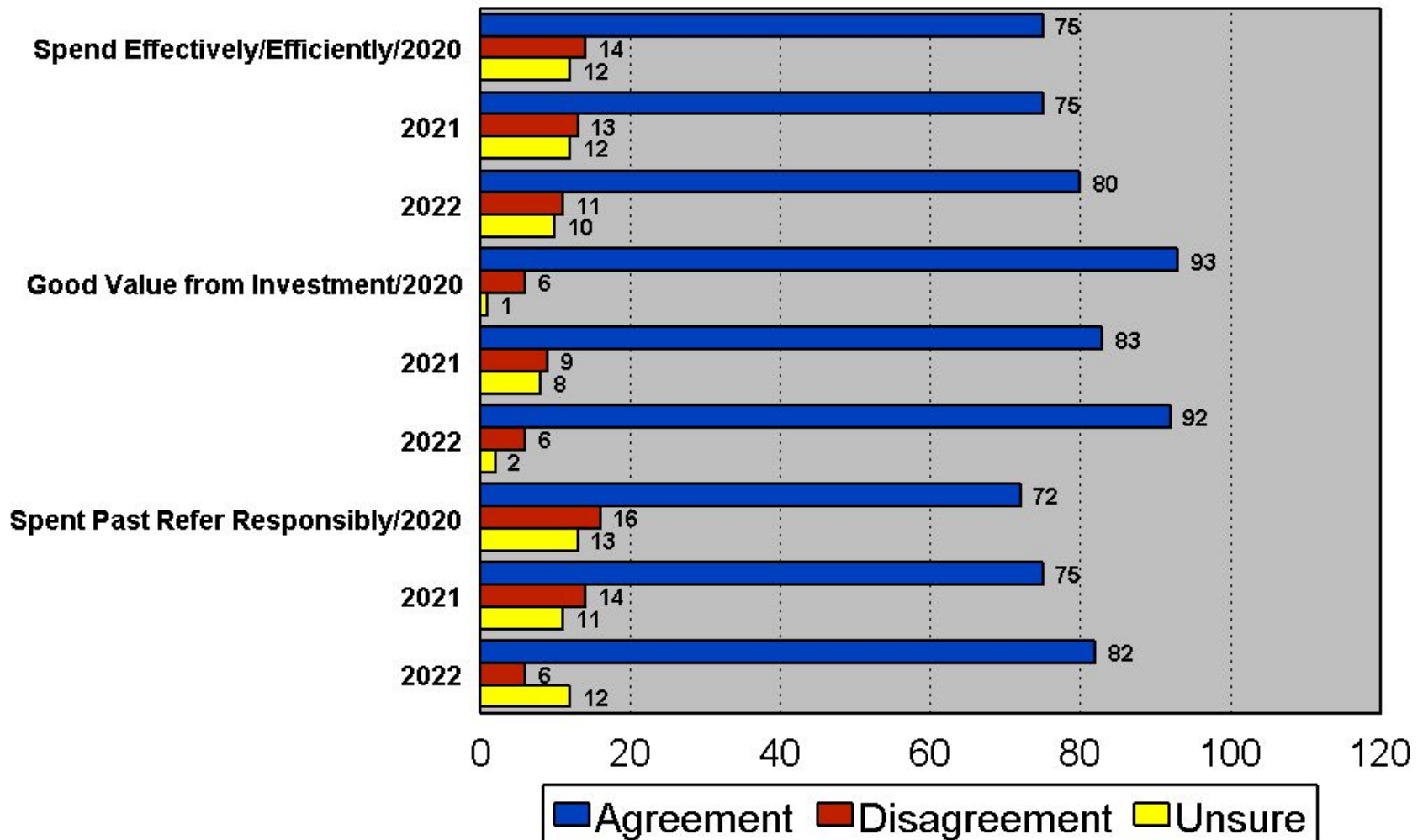
Concerns about Curriculum

2022 Edina School District



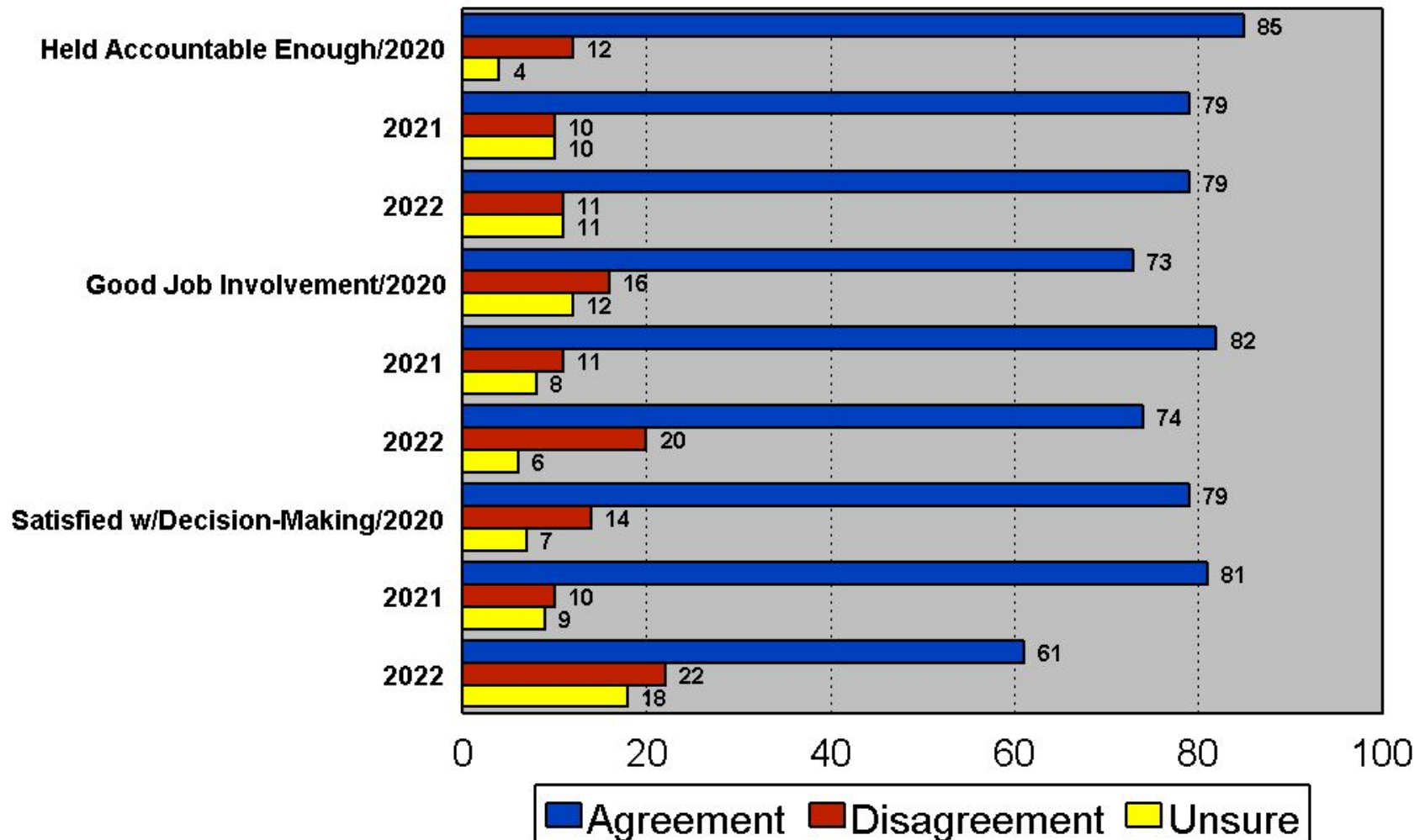
Specific District Perceptions I

2022 Edina School District



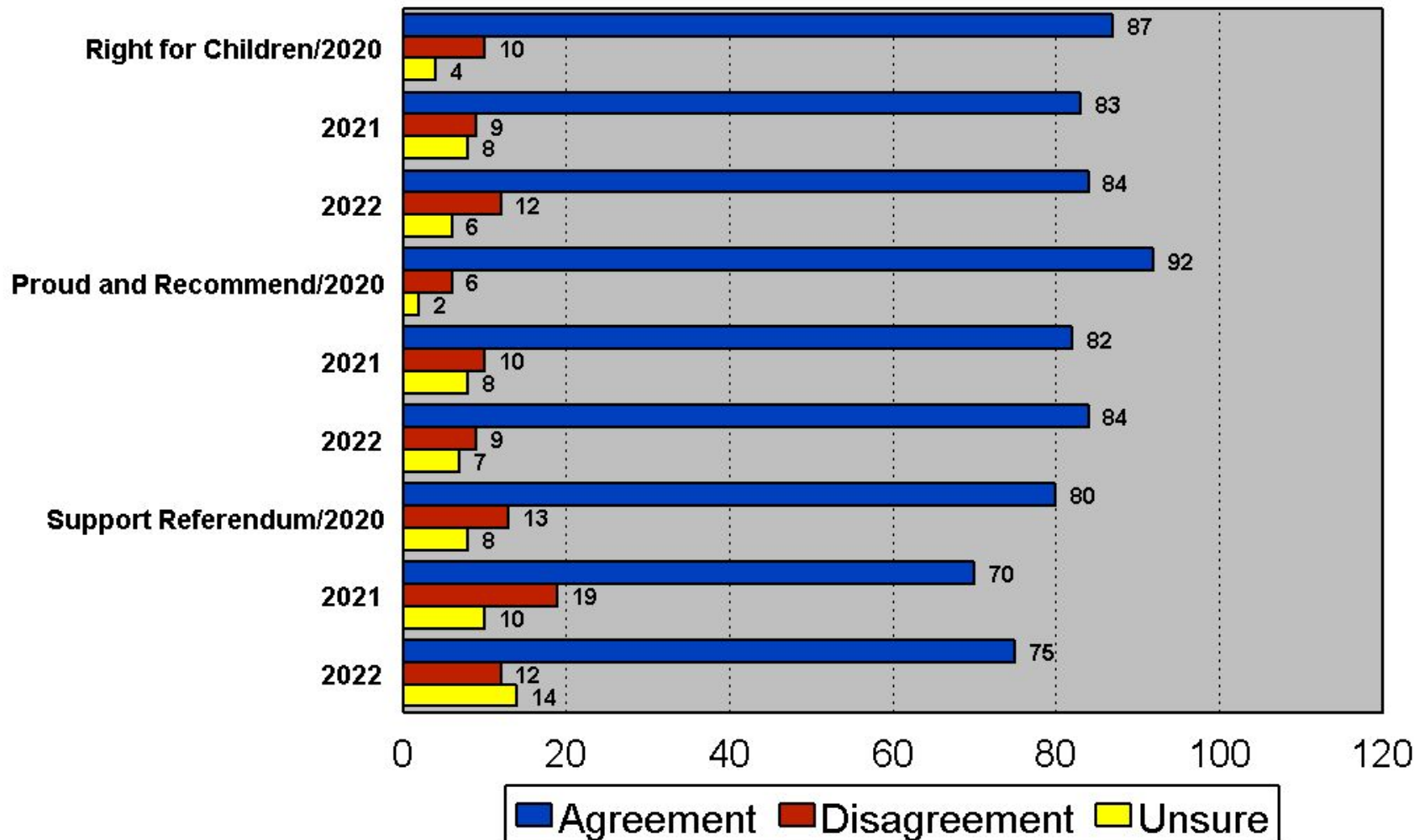
Specific District Perceptions II

2022 Edina School District



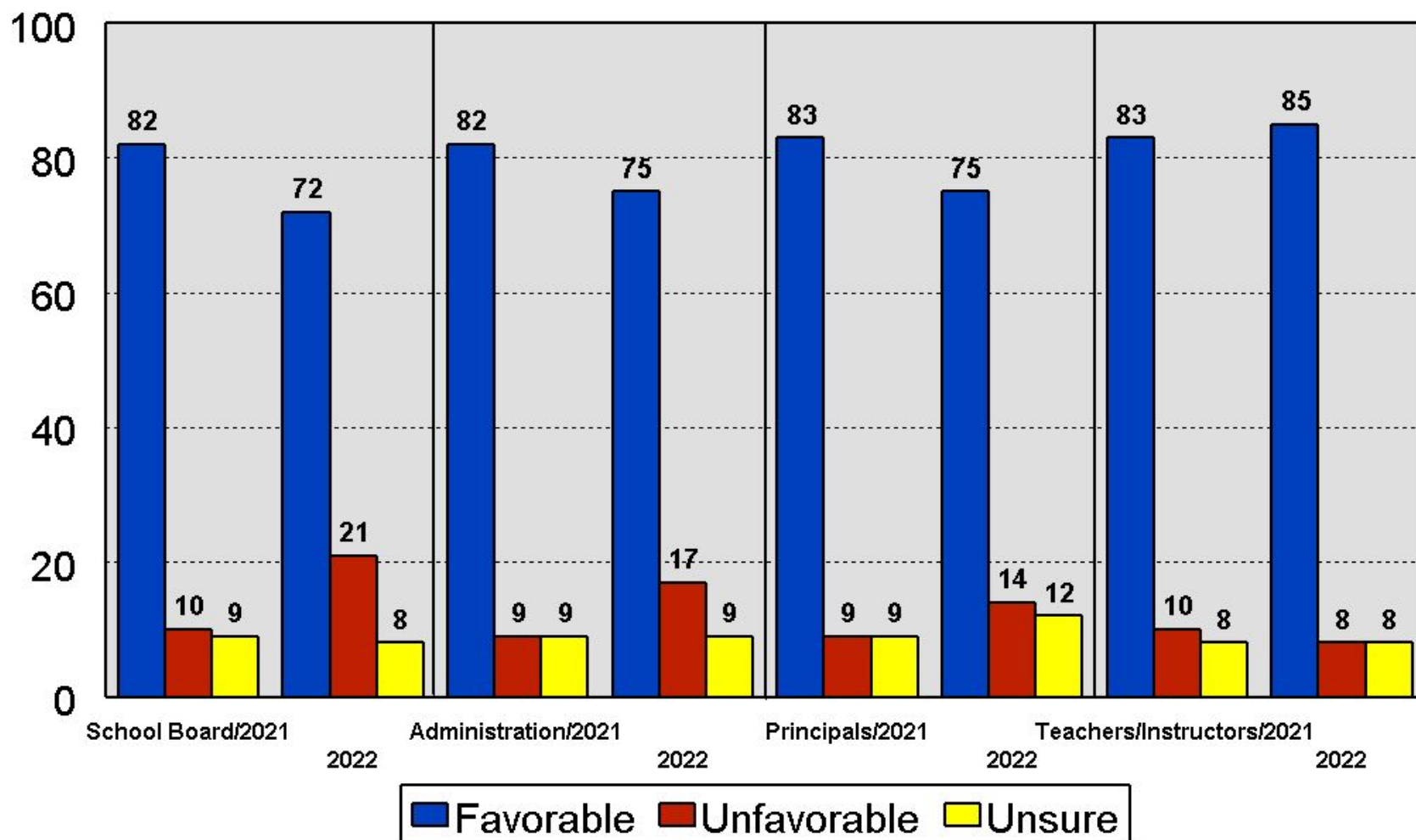
Specific District Perceptions III

2022 Edina School District



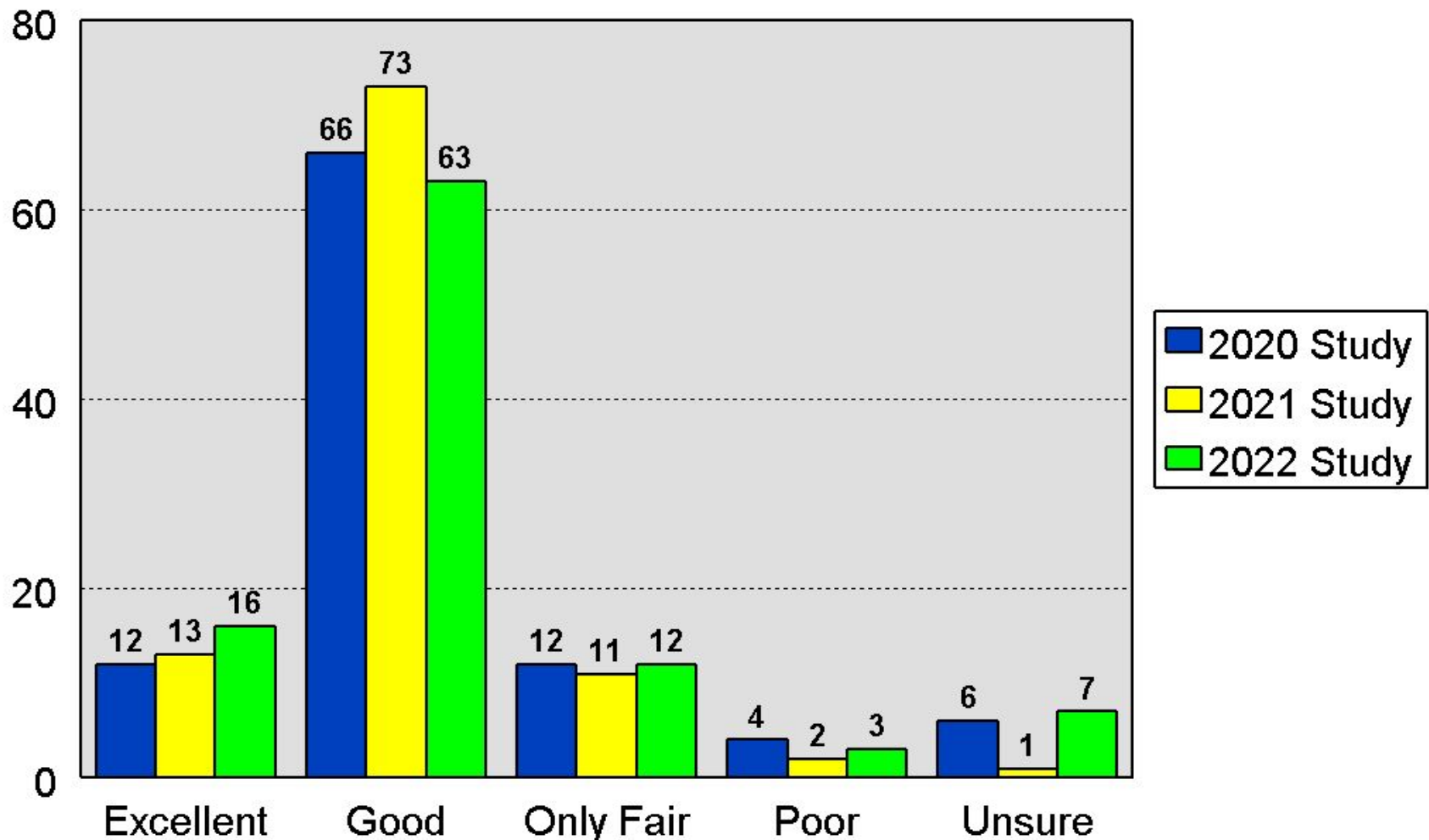
Job Performance Ratings

2022 Edina School District



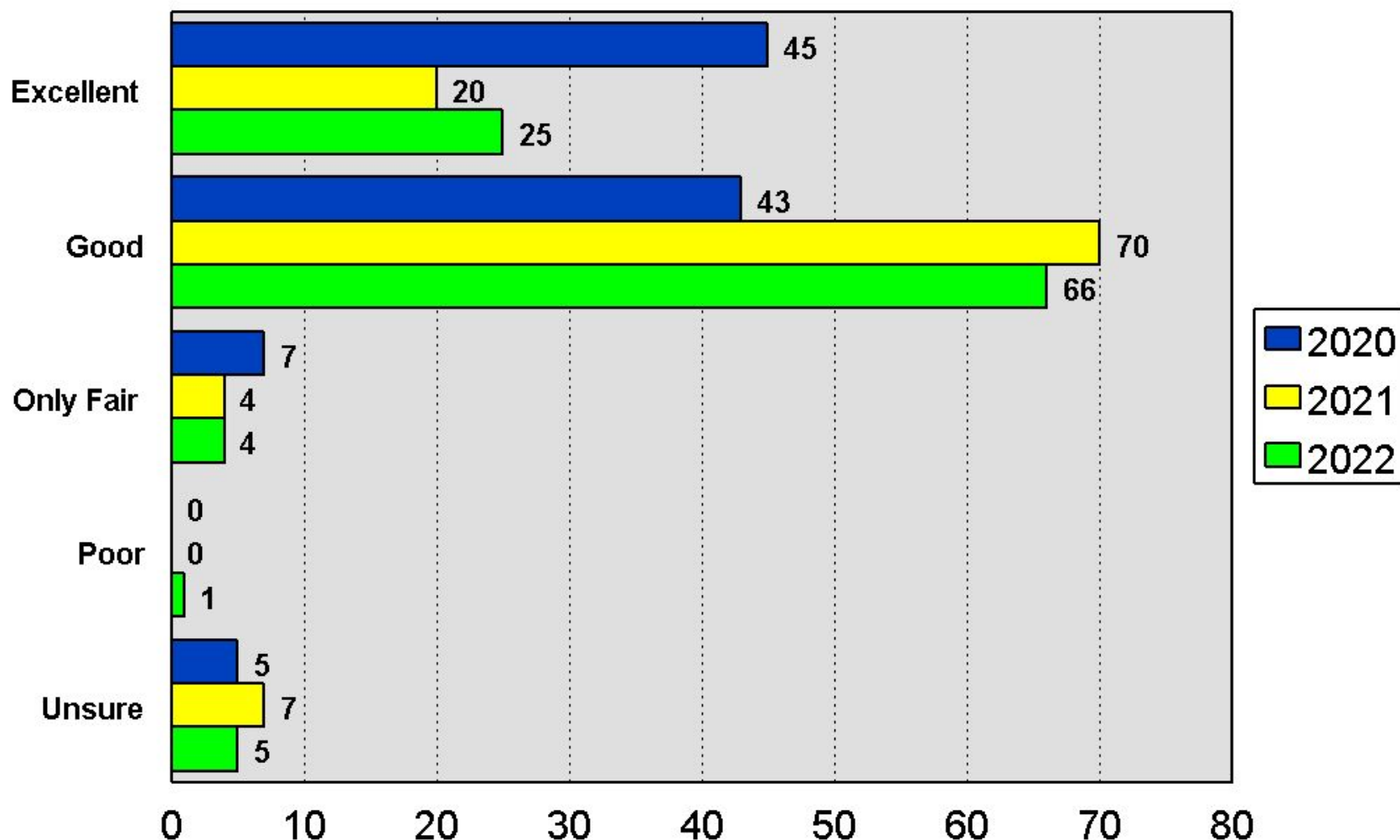
Financial Management

2022 Edina School District



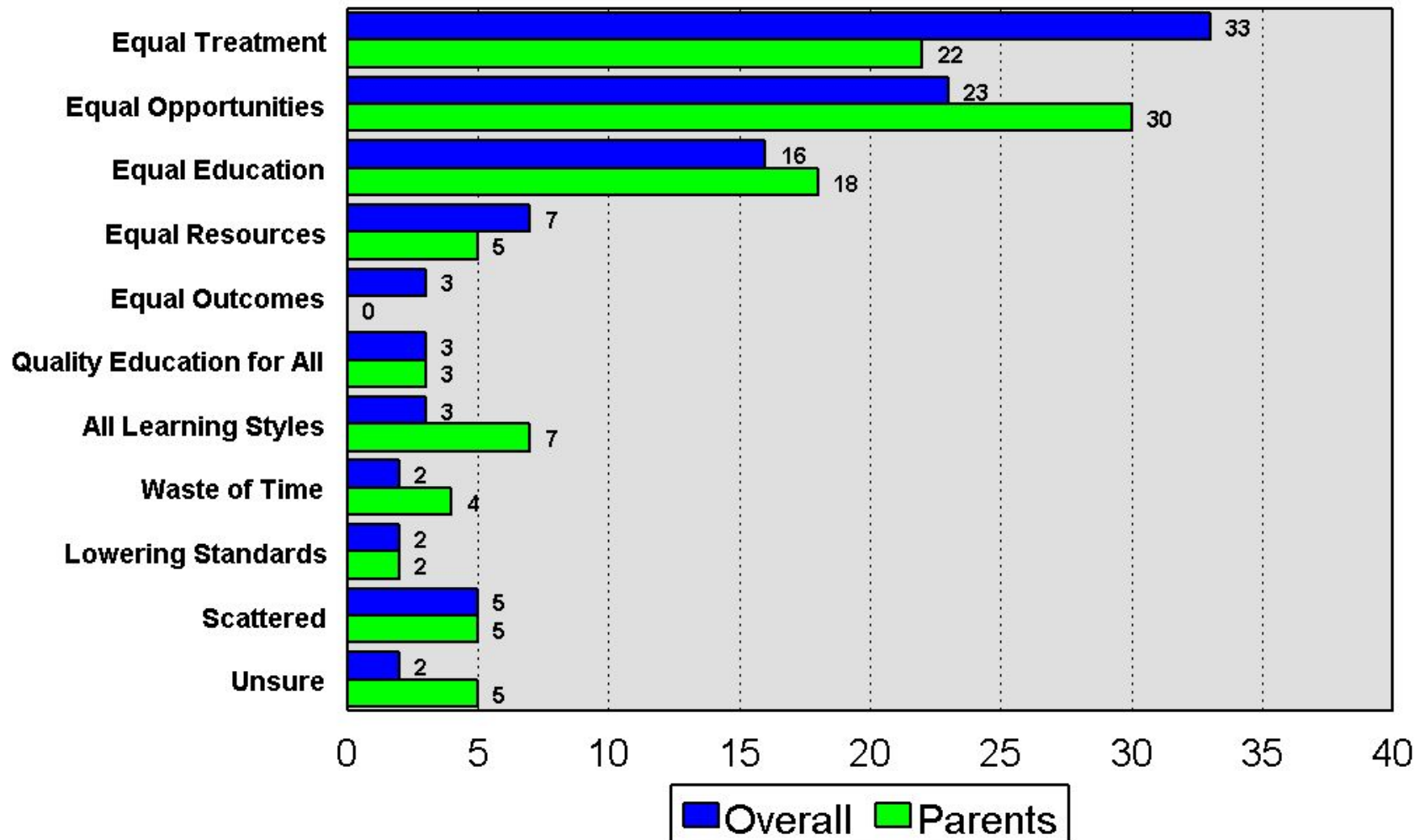
Technology Opportunities in Edina SD

2022 Edina School District



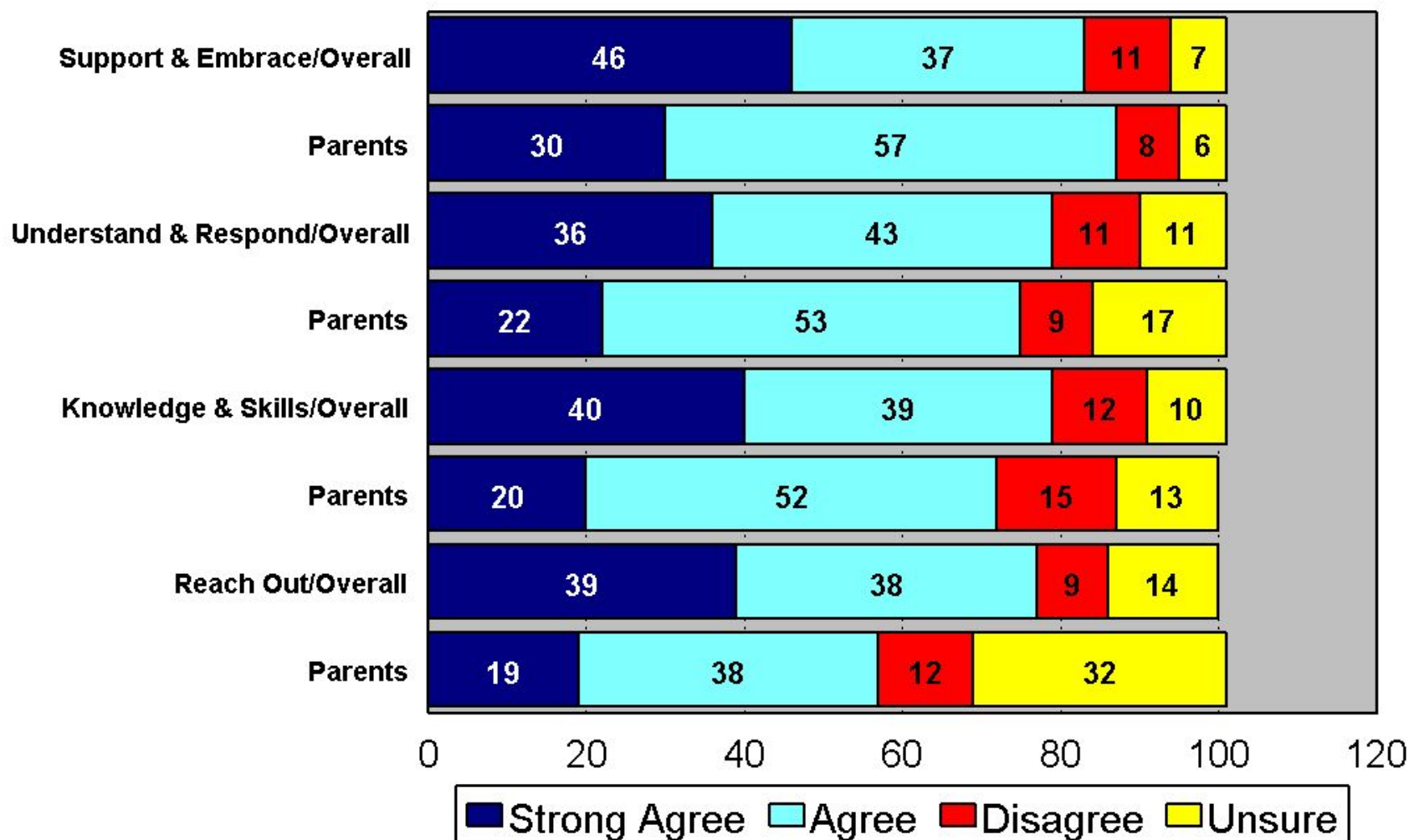
Meaning of “Equity”

2022 Edina School District



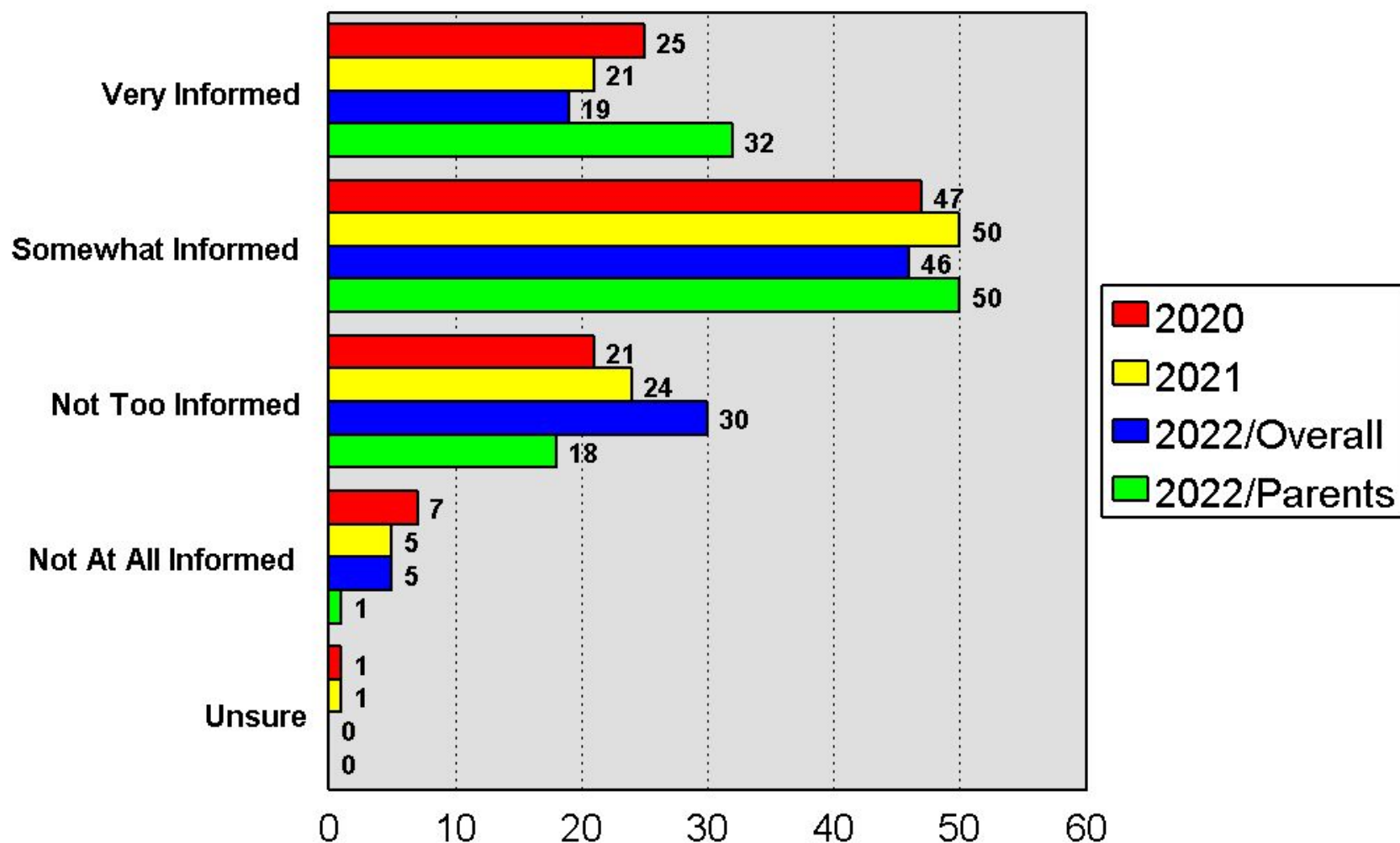
Statements about Diversity

2022 Edina School District



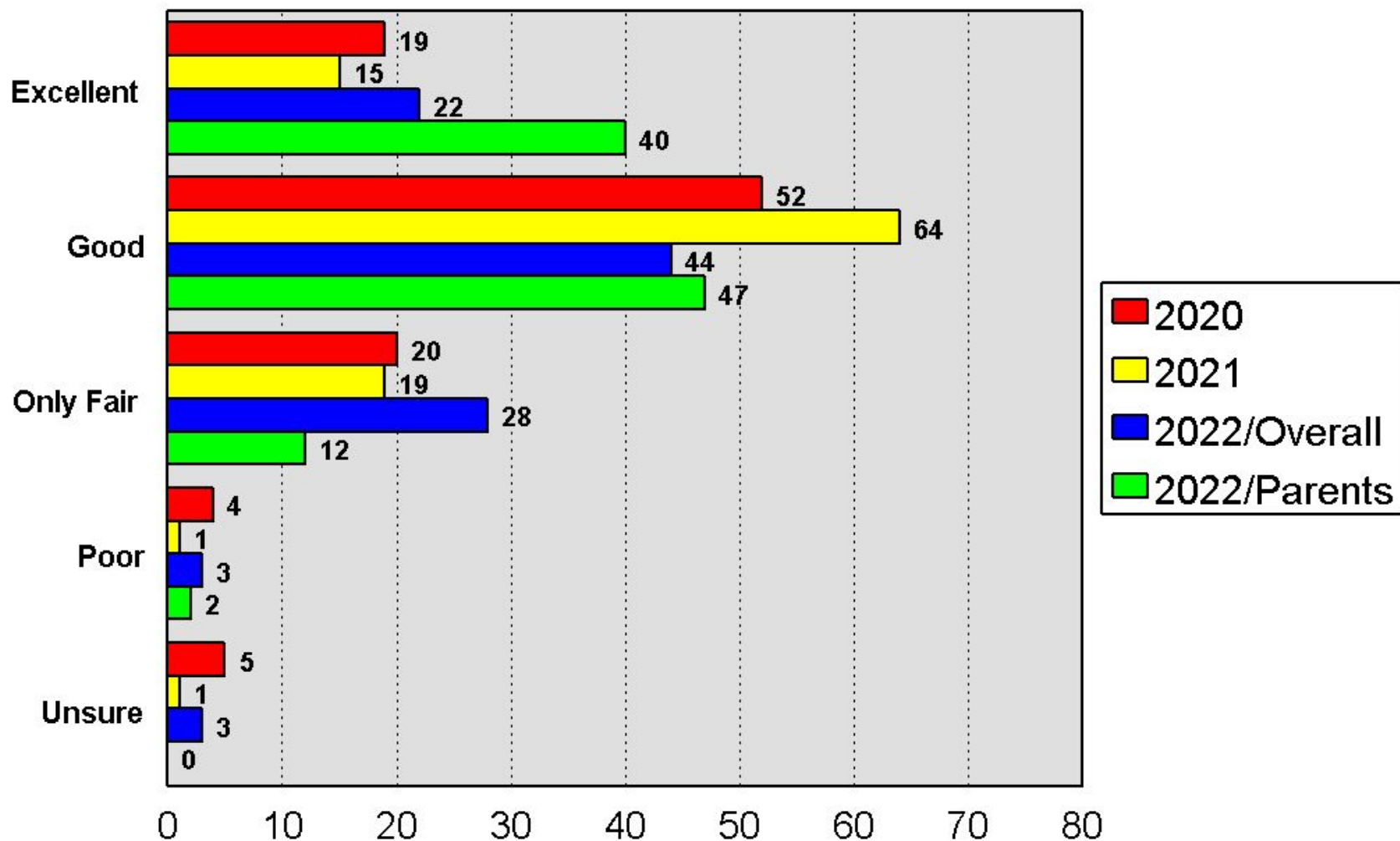
Informed about Decisions

2022 Edina School District



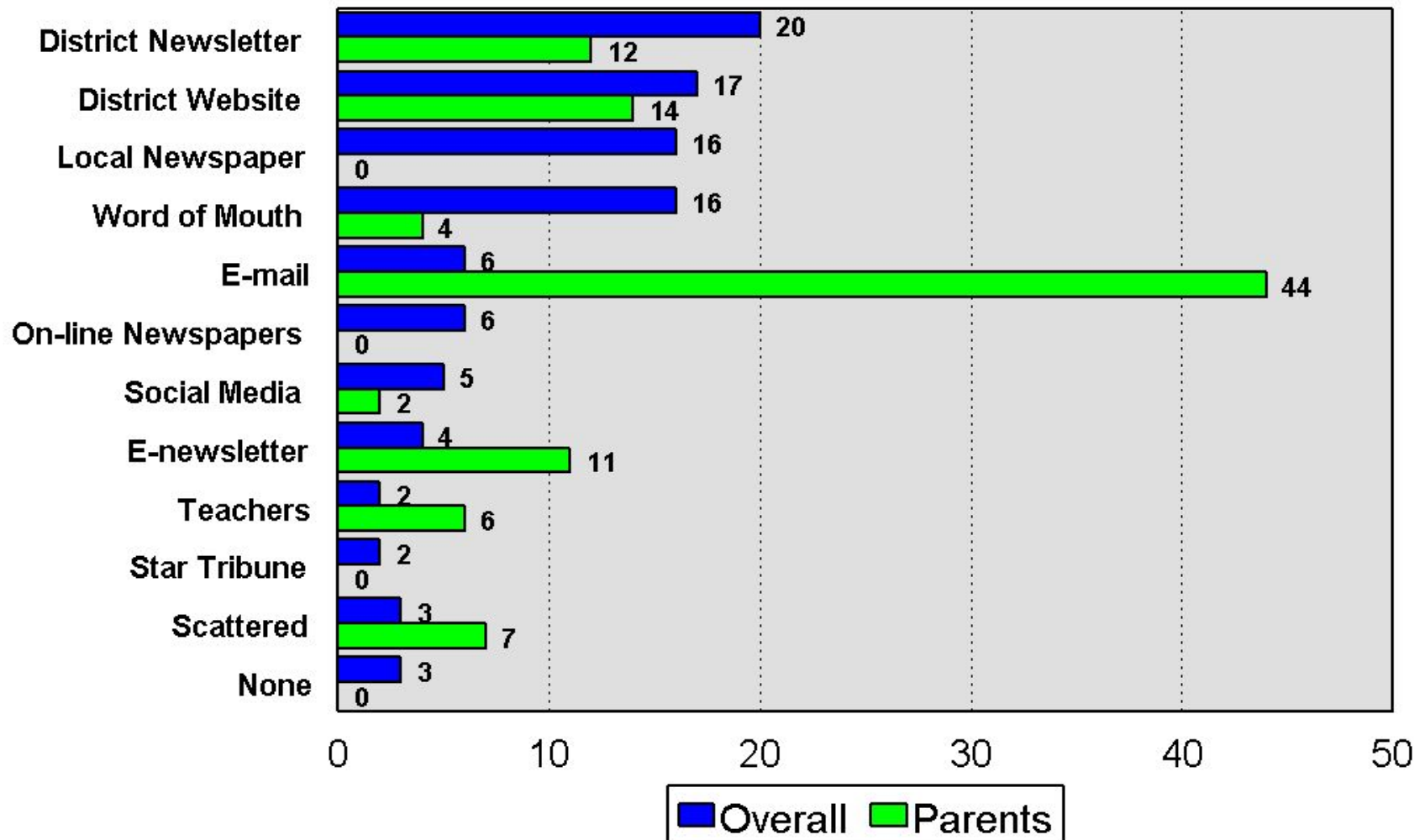
Informed in Timely Manner

2022 Edina School District



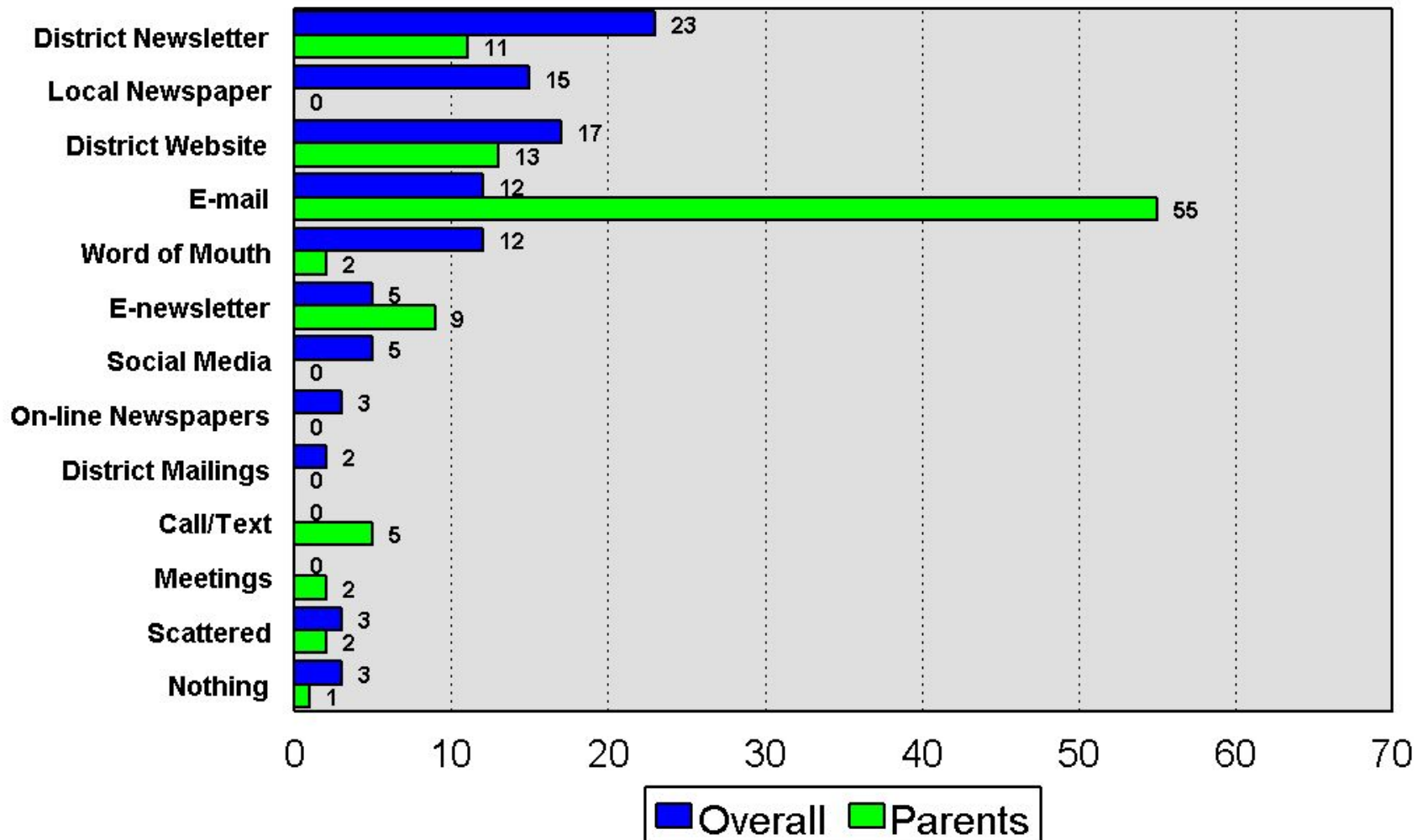
Principal Source of Information

2022 Edina School District



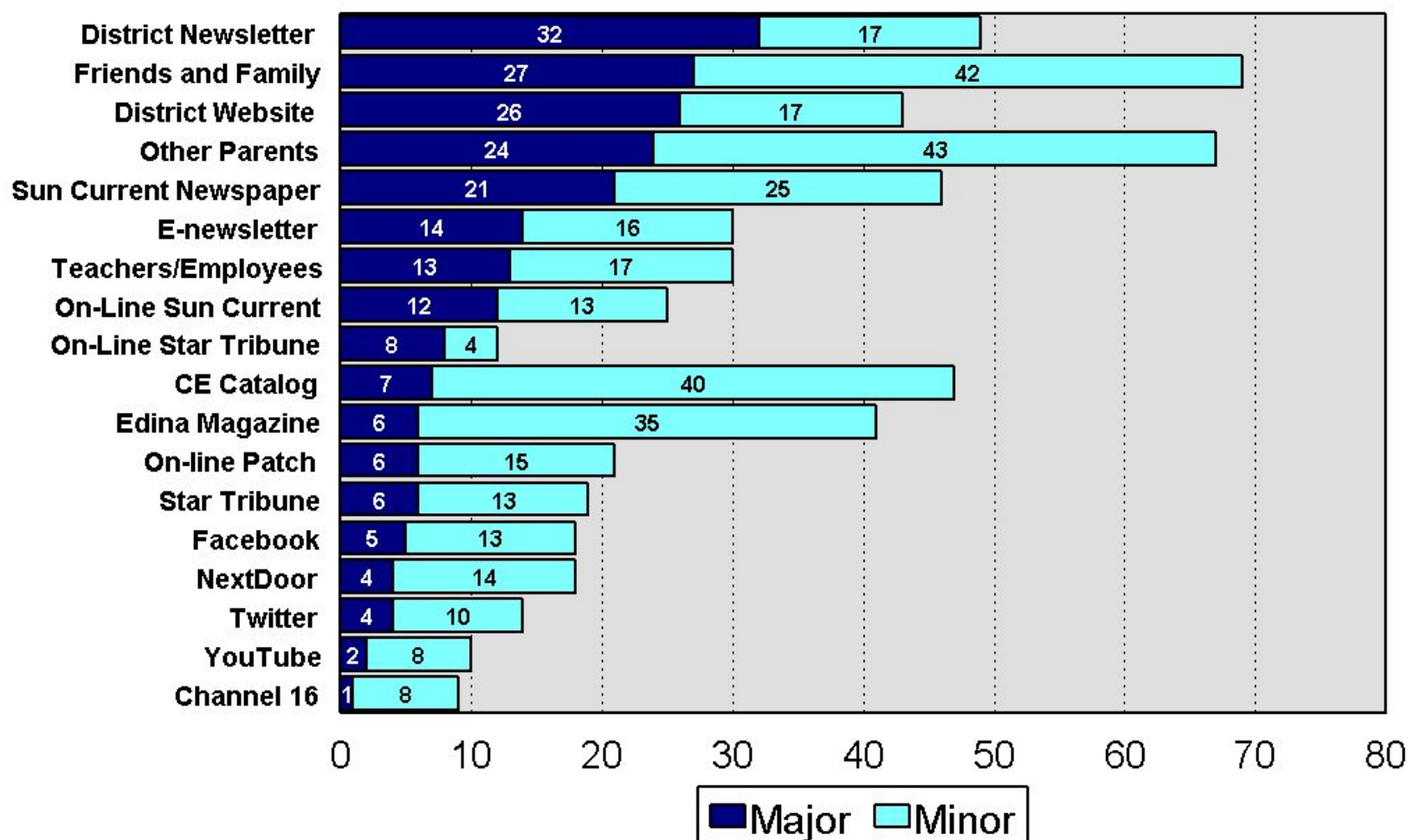
Preferred Source of Information

2022 Edina School District



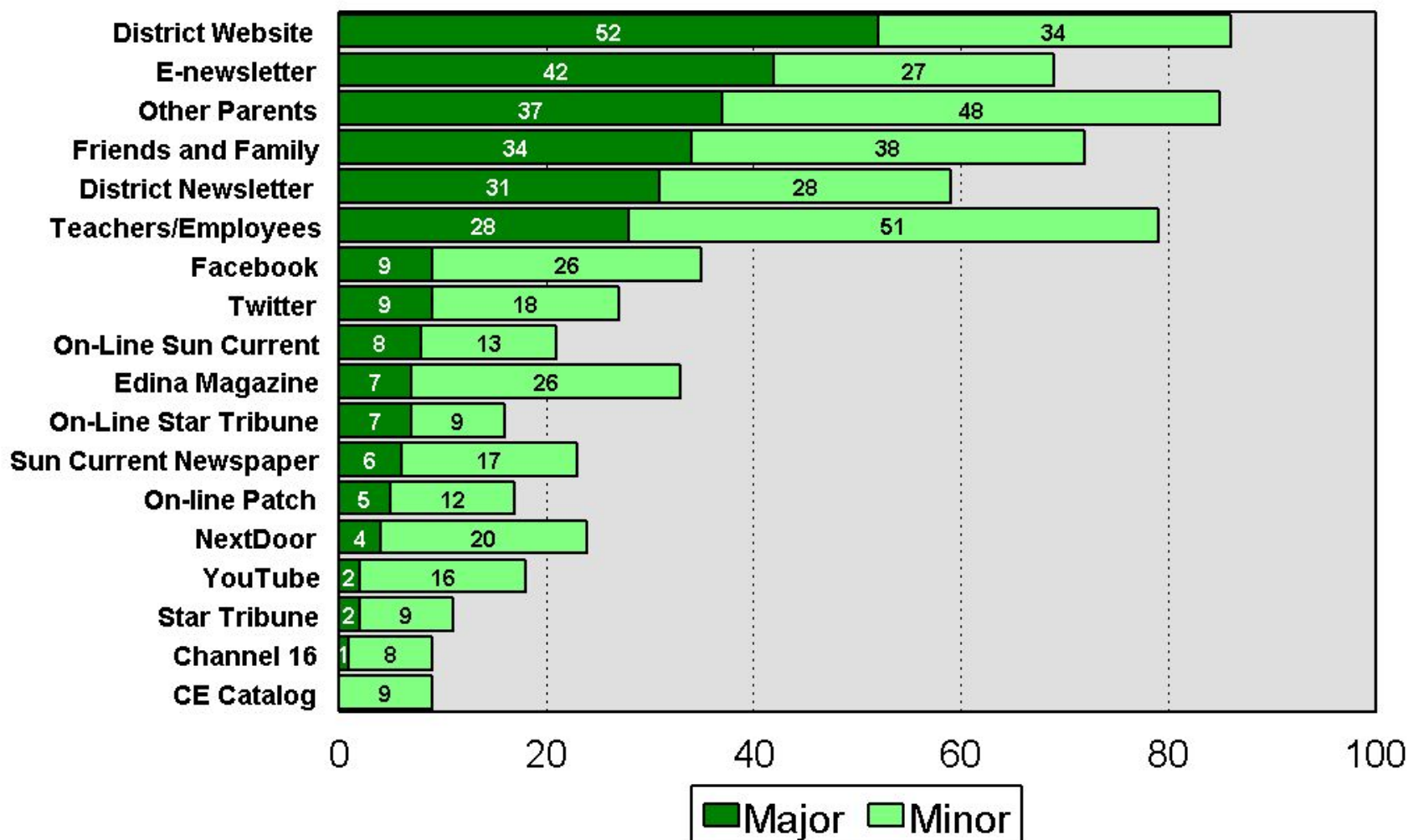
Source of Information (Overall)

2022 Edina School District



Source of Information (Parents)

2022 Edina School District





Board Meeting Date: 8/23/2022

TITLE: Countryside Construction Update

TYPE: Report/Discussion

PRESENTER(S): Dr. Randy Smasal, Assistant Superintendent; Karen Bergman, Countryside Principal; Daphne Edwards, Director of Marketing and Communications; Eric Hamilton, Director of Buildings and Grounds; Dustin Kempf (Kraus-Anderson); and Scott Clancy (Kraus-Anderson)

BACKGROUND: Administration in partnership with Kraus-Anderson representatives will review with the school board the purpose for the construction projects at Countryside Elementary. Administration will also share an update on our partners in the work, the overall meeting schedule to inform stakeholders, and the specific improvements being made to the school. A general construction timeline will be presented and highlights from the Communication plan will be shared.

RECOMMENDATION: No recommendation is being made at this time. This presentation is an informational update for the board.

DESIRED OUTCOMES from the Board: Please bring forth questions you have for the presenters.

ATTACHMENTS:

- Countryside Construction Update PPT Slides

Countryside Construction Update: School Board Work Session

August 23, 2022

Dr. Randy Smasal, Karen Bergman,
Daphne Edwards, Eric Hamilton, Dustin Kempf, Scott Clancy

Presentation Outline

- Purpose
- Partnership
- Meeting Schedule
- Countryside Project Scope
- Existing Countryside Elementary Site
- Proposed Countryside Elementary Site
- Construction Timeline
- Safety and Security Planning
- Communications Planning

Purpose of Countryside Construction Efforts

- Additional space for new District Magnet/Choice Program: Countryside Spanish Dual Language Program
- Additional space for needs of students served in Special Education
- Alignment with pre-planned construction
 - Parking lot reconfiguration
 - Playground enhancement



Partnership!!



DEFINING EXCELLENCE



KRAUS-ANDERSON®
Construction Company



**BOLTON
& MENK**

Meeting Schedule

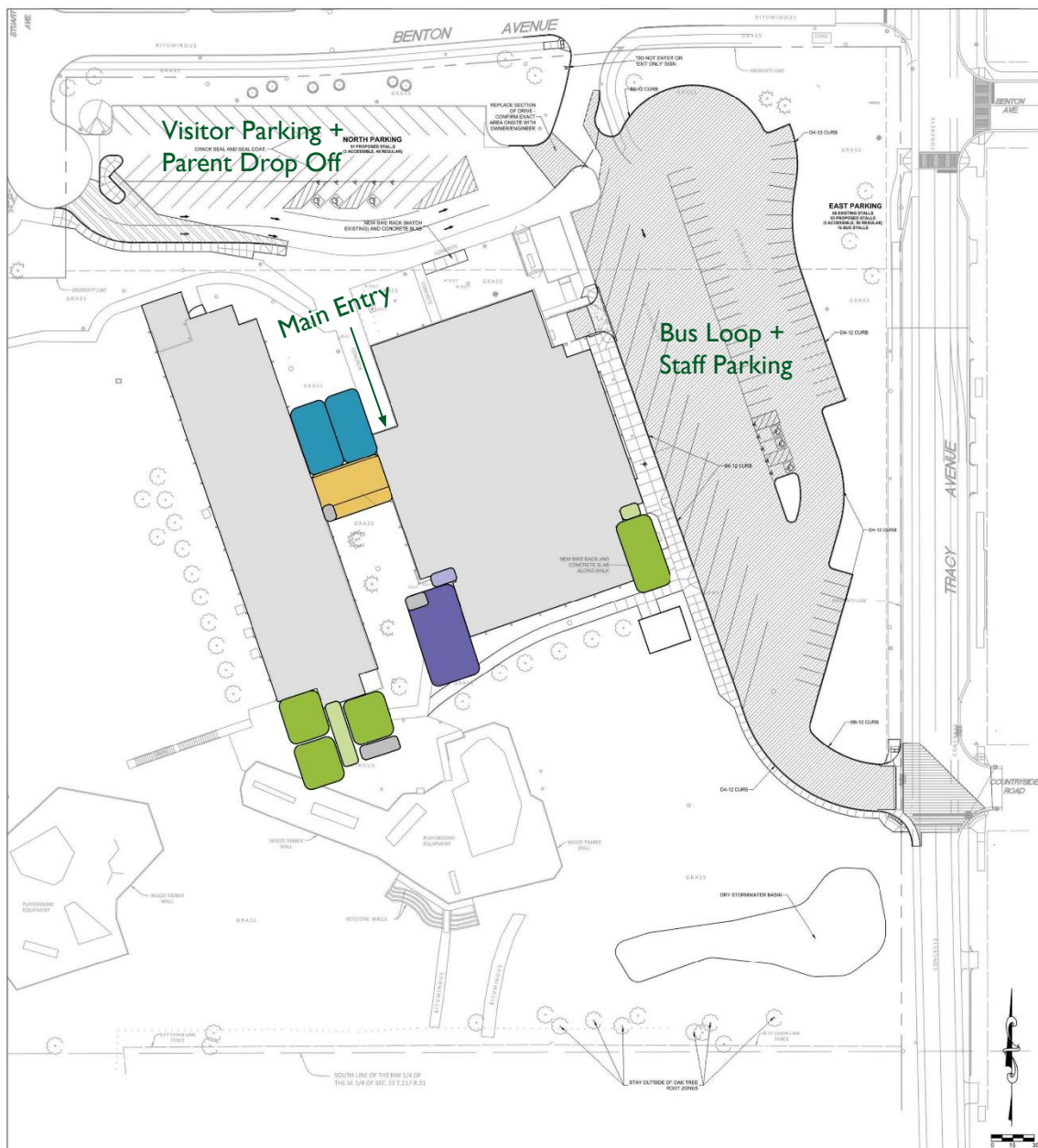
- May 18: Community Meeting
- June 29: Planning Commission Meeting
- July 19: City Council Meeting

Mid Aug: Project Bids

- Aug. 22: Countryside Staff Meeting
- Aug. 23: Edina School Board Update
- Aug. 23: Countryside Parent Meeting

Countryside Project Scope

- Four Building Additions:
 - Classrooms to accommodate addition of Countryside Spanish Dual Language Program; two locations of building getting classrooms, K and 1-5
 - Multi-purpose room for Physical Education Instructional Space
 - Specialized classroom to support students served through Special Education
- Previously planned Construction Efforts
 - New Playground; Countryside PTO
 - Expanded Parking lot and with additional exit - separation of visitor parking/access and bus traffic



COUNTRYSIDE IMPROVEMENTS:

PROJECT SCOPE

BUILDING:

- Countryside Spanish Dual Language Program
- 6 grade-level classrooms, 2 kindergarten
- Multipurpose Room
- Centralized Special Education space
- Reconstruct existing ramp connection to be accessible, construct elevator

SITE:

- Dedicated bus loop and bus entries, separated from parent drop-off traffic
- Extended parent drop-off lane, all accessed from Benton and Stuart
- Parent drop-off located at Main Entry
- Playground reconstruction for accessibility, in partnership with PTO
- Additional visitor parking

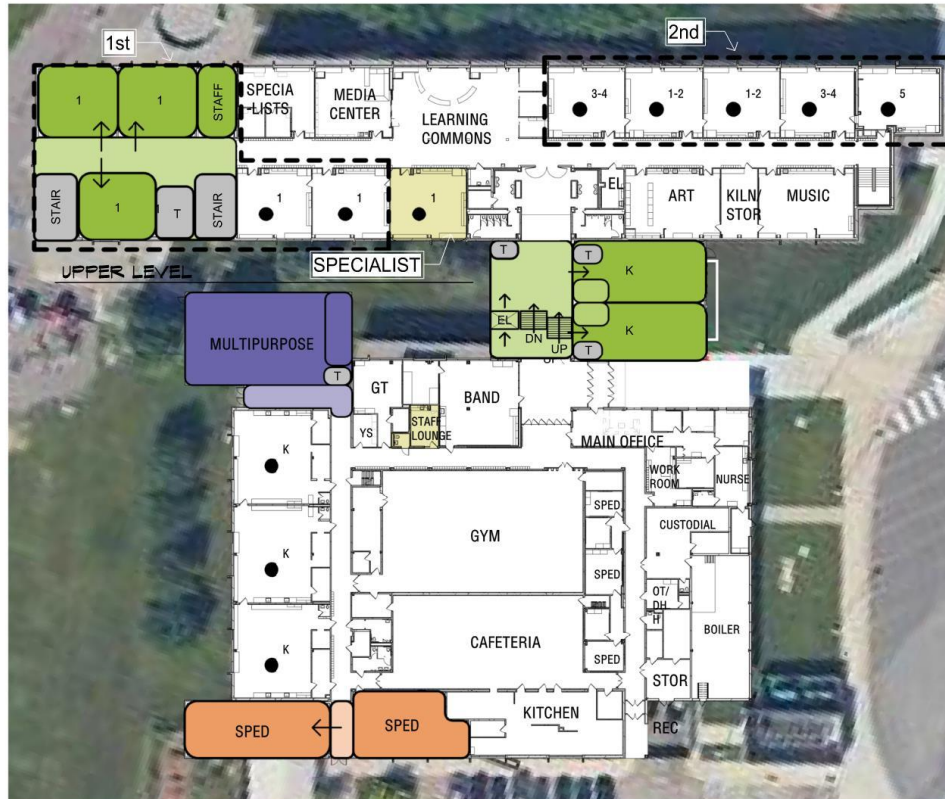


COUNTRYSIDE NEIGHBORHOOD MEETING

IMPROVEMENTS



LOWER LEVEL



MAIN LEVEL

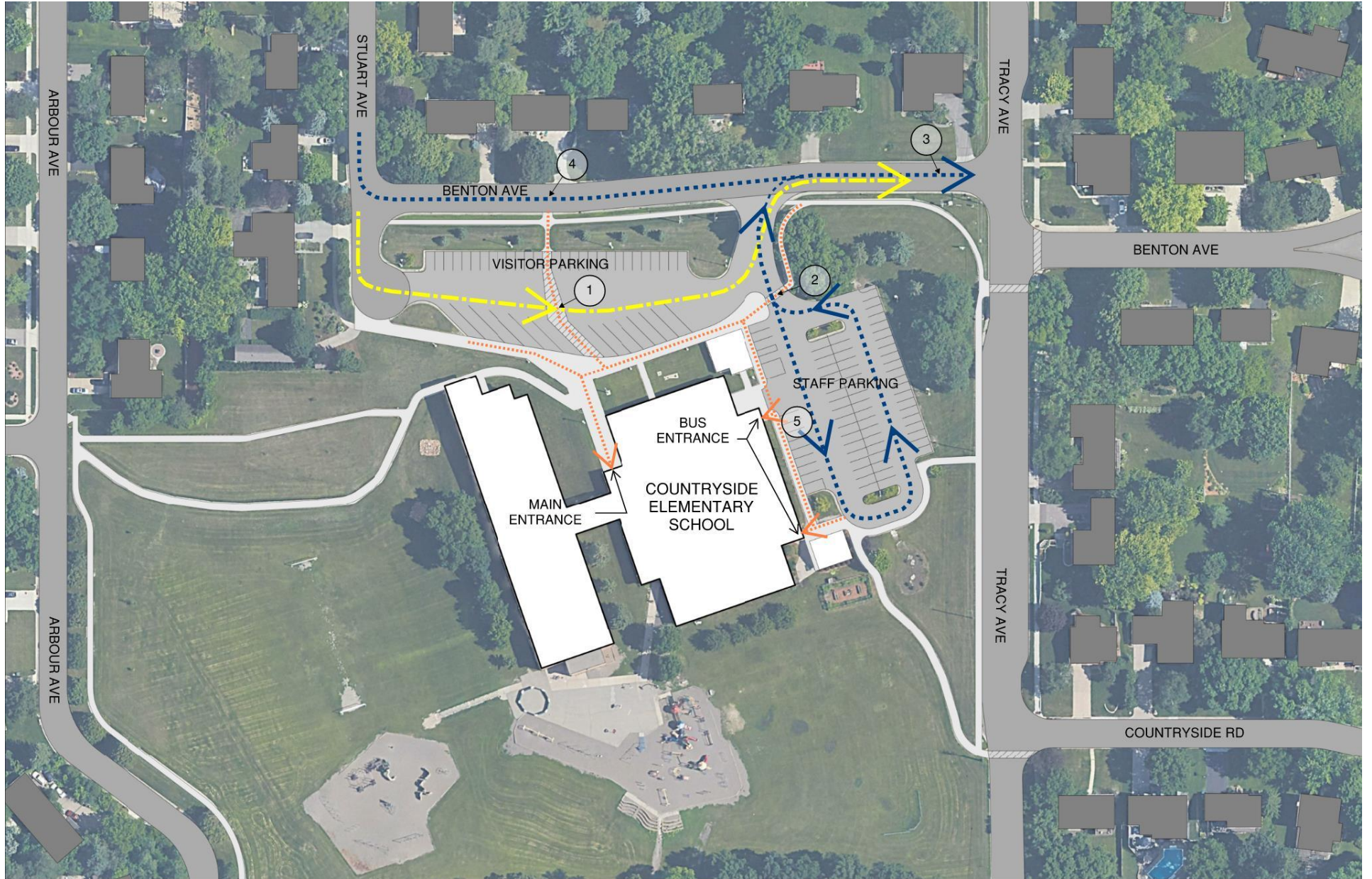


LEGEND:

- PEDESTRIANS
- BUS ROUTE
- PARENT DROP OFF/ PICK UP TRAFFIC
- NEW CLASSROOM ADDITIONS

CURRENT SITE CONDITIONS:

- STUDENTS GETTING DROPPED OFF CROSS THE BUS DROP OFF LOOP AND BUS TRAFFIC
- BUS EXIT, PARENT PICK UP/DROP OFF, AND PEDESTRIAN CROSSING LOOPS OVERLAP, CAUSING DELAYS, BACKUPS, AND AN UN-SAFE PEDESTRIAN CROSSWALK
- BUSES AND PARENTS CURRENTLY USE THE SAME ROAD TO ENTER AND EXIT THE SCHOOL'S PARKING LOTS, CREATING DISORGANIZED TRAFFIC FLOW AND BACKUPS ONTO SURROUNDING NEIGHBORHOOD STREETS
- PARENTS DROP STUDENTS OFF ACROSS THE STREET FROM THE SCHOOL, PEDESTRIANS HAVE TO CROSS CAR TRAFFIC
- PARENTS DROP STUDENTS OFF IN A PARKING LOT, WITHOUT DIRECT ACCESS TO A SIDEWALK



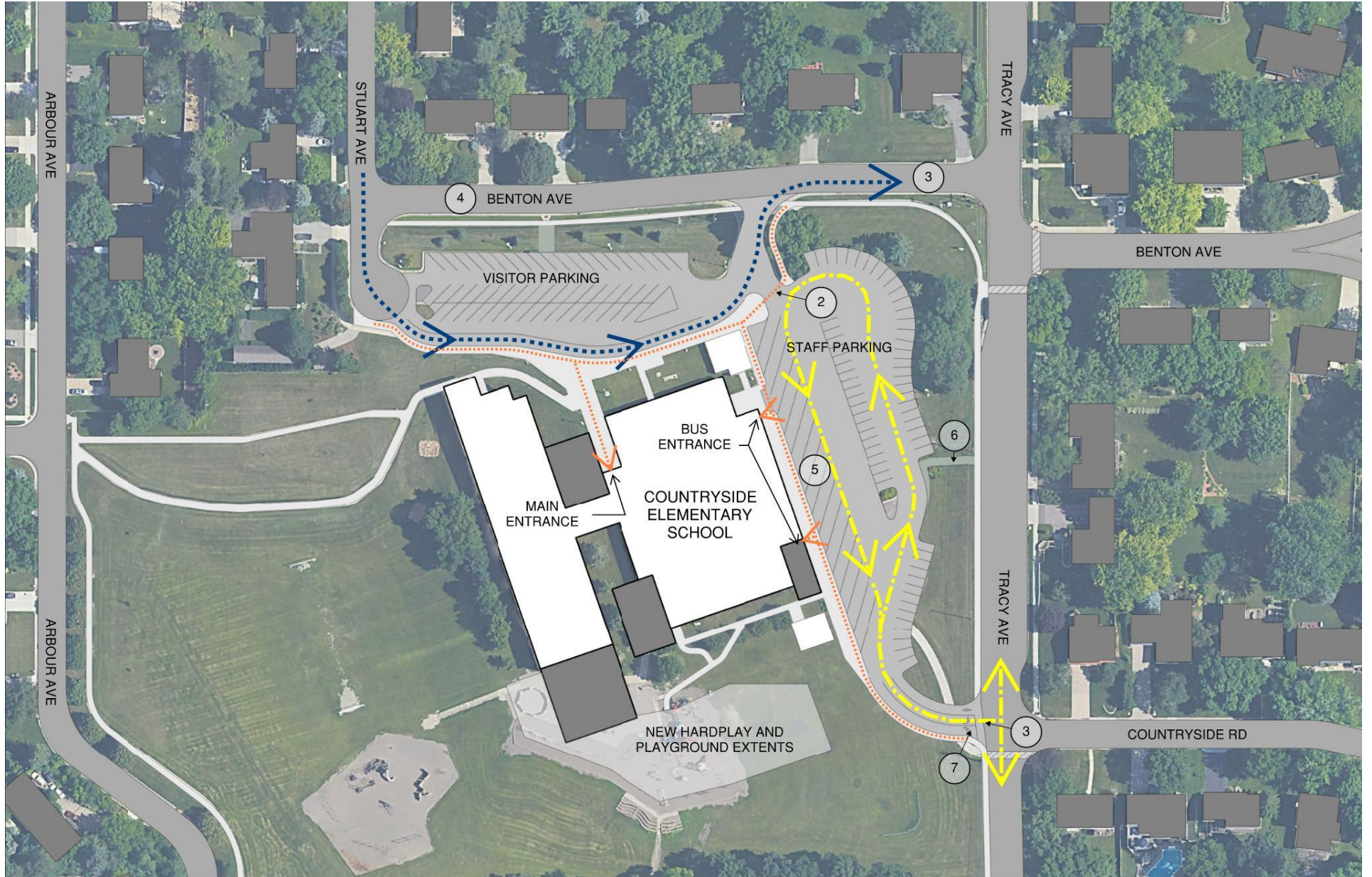
EXISTING SITE CONDITIONS + CHALLENGES



LEGEND:

- PEDESTRIANS
- BUS ROUTE
- PARENT DROP OFF/
PICK UP TRAFFIC
- NEW CLASSROOM
ADDITIONS

- STUDENTS DROPPED OFF BY PARENTS WILL NOW HAVE DIRECT ACCESS TO AN ADJACENT SIDEWALK
- THE PARENT PICK UP/DROP OFF LOOP AND THE BUS PICK UP/DROP OFF LOOP ARE NOW ENTIRELY SEPERATED, ALLOWING TRAFFIC ON THE SITE TO FLOW, AND PEDESTRIANS AT THE CROSSWALK A SAFE CROSSING
- SCHOOL BUSES AND PARENTS WILL NOW HAVE SEPERATE ACCESS TO THE SITE
- PARENTS WILL STILL DROP OFF AND PICK UP THEIR STUDENTS ON THE NORTH END OF THE SCHOOL, BUT THEY WILL NOW HAVE DIRECT ACCESS TO THE SIDEWALK. THIS REMOVES STUDENT DROP OFF FROM BENTON AVE. AND BRINGS STUDENTS AND PARENTS DIRECTLY TO THE SCHOOLS FRONT ENTRY
- STUDENTS RIDING THE BUS WILL STILL BE DROPPED OFF AND PICKED UP WITH DIRECT ACCESS TO THE SIDEWALK
- REMOVED STAIR ELIMINATES A ROUTE THAT STUDENTS AND PARENTS WOULD USE AS ANOTHER DROP OFF AND PEDESTRIANS ROUTE, FURTHER SIMPLIFYING TRAFFIC FLOW
- NEW STOP SIGN, RIGHT AND LEFT TURN EXIT LANES



PROPOSED SITE CONDITIONS + IMPROVEMENTS



CONSTRUCTION + PROJECT SCHEDULE

PROJECTED CONSTRUCTION TIMELINE:

- Project Bids: August 2022
- Construction Starts: Fall 2022
 - Safety Fencing, Excavating, Footings, Foundation, Brick Work on Four Additions
- Bus Loop, Playground, Parking Lot work: work completed during Summer 2023
- Construction Complete: Fall of 2023, Exact date dependent upon multiple factors

Safety and Security Planning

- Site Planning - Construction activities separated from students and learning activities by exterior fencing and interior construction doorways
 - Playground will include only the lower playground. Additional activities/equipment will be available in this area.
- Adjustments are being made to student arrival/departures along Tracy Avenue and Countryside Road.
 - Additional staffing is being assigned to assist with this change.
- Consistent Signage throughout the property and within the building
- Access to Entrances/Exits
 - Main Entrance moved from Door 1 to Door 1A (still on north side), along with the re-creation of the secured vestibule and camera access into the main office
 - Main office shifted to former health office - for direct access to Door 1A.
 - Signage indicating main entrance shift
 - All playground access will go through Door 6 on the NW corner of the building.
- Reduction in access to three exit doors within the construction zone. Signage and flow of students has been planned and communicated.
- Currently revising safety and security protocols so they are in place prior to construction beginning. Additional signage and practice of procedures will take place as those changes occur - likely by end of September.

Communications Planning

- Frequent Updates to Parents and Staff; Weekly updates to continue
 - August 4 Back to School Message
 - August 17 Construction Update
 - August 22 Staff Meeting
 - August 23 Parent Meeting
 - August 25 Back to School Open House - guided tour and signage
- An Informational/Progress Video is being planned.
- Dashboard on District Website being developed.

What questions do you have?

Thank you



Board Meeting Date: 8/23/2022

Title: Concord Elementary & Countryside Elementary Additions - Financing

Type: Discussion

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

Background: During the 2022 fiscal year the School Board approved a plan to add space to both the Concord Elementary and Countryside Elementary facilities. In order to finance the majority of the construction costs the District administration sought and received approval from the Minnesota Department of Education to utilize building lease levy authority.

The District administration will request a resolution approving the intent to issue certificates of participation, including parameters for awarding the sale, from the School Board at its next regular meeting.

The estimated aggregate par value of the issuance is \$14,655,000.

Recommendation: N/A

Attachment(s):

1. Series 2022A Certificates of Participation Presale Report prepared by Ehlers, Inc
2. Sample Intent to Issue and Parameters Resolution
3. Minnesota Department of Education approval letter

August 23, 2022

PRE-SALE REPORT FOR

Independent School District No. 273 (Edina Public Schools), Minnesota

\$14,655,000 Certificates of Participation, Series 2022A



Prepared by:

Ehlers
3060 Centre Pointe Drive
Roseville, MN 55113

Advisors:

Jodie Zesbaugh, Senior Municipal Advisor
Matthew Hammer, Municipal Advisor
Greg Crowe, President

BUILDING COMMUNITIES. IT'S WHAT WE DO.

EXECUTIVE SUMMARY OF PROPOSED DEBT

Proposed Issue:

\$14,655,000 Certificates of Participation, Series 2022A

The resolution that will be prepared for consideration by the School Board will include authorization for the issuance of up to \$14,885,000 in Certificates. \$14,655,000 is our current estimate of the amount necessary to finance the proposed projects, based on the expected premium pricing structure explained in more detail on Page 3.

Purposes:

The proposed issue will finance the construction of building additions at Countryside Elementary School and Concord Elementary School. The Certificates will provide evidence of proportionate ownership in lease payments to be made by the District, pursuant to a Lease Purchase Agreement. Debt Service will be paid from the District's annual lease levy.

Authority:

The Certificates are being issued pursuant to Minnesota Statutes, Section 465.71 (Lease Purchase). The Certificates will not be general obligations of the District. Payments will be subject to annual appropriation of funds by the School Board, as required by State Statute.

Term/Call Feature:

The Certificates are being issued for a term of 15 years and 5 months. Principal on the Certificates will be due on April 1 of 2024 through 2038. Interest will be due every six months beginning October 1, 2023. The Certificates maturing on or after April 1, 2032 will be subject to prepayment at the discretion of the District on April 1, 2031 or any date thereafter.

Bank Qualification:

Because the District is issuing more than \$10,000,000 in tax-exempt obligations during the calendar year, the District will be not able to designate the Certificates as "bank qualified" obligations.

Rating:

The District's most recent bond issues have an underlying rating of "Aaa" from Moody's Investors Service. The District will request a new rating for the Certificates. Because the Certificates provide less security to investors than general obligation bonds, Ehlers anticipates that the rating on the Certificates will be an "Aa1," one rating grade lower than the "Aaa" rating.

Basis for Recommendation:

Based on your objectives, financial situation and need, risk tolerance, liquidity needs, experience with the issuance of Certificates and long-term financial capacity, as well as the tax status considerations related to the Certificates and the structure, timing and other similar matters related to the Certificates, we are recommending the issuance of Certificates as a suitable option.

Method of Sale/Placement:

We are recommending the Certificates be issued as municipal securities and offered through a competitive underwriting process. We will solicit competitive bids for the purchase of the Certificates from underwriters and banks. We will include an allowance for discount bidding in the terms of the issue. The discount is treated as an interest item and provides the underwriter with all or a portion of their compensation in the transaction.

If the Certificates are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to reduce your borrowing amount.

Premium Pricing:

In some cases, investors in municipal debt prefer “premium” pricing structures. A premium is achieved when the coupon for any maturity (the interest rate paid by the issuer) exceeds the yield to the investor, resulting in a price paid that is greater than the face value of the Certificates. The sum of the amounts paid in excess of face value is considered “reoffering premium.” The underwriter of the Certificates will retain a portion of this reoffering premium as their compensation (or “discount”) but will pay the remainder of the premium to the District. Any net premium received may be used to reduce the principal amount of the Certificates, increase the net proceeds for the project, or to fund a portion of the interest on the Certificates.

Parameters:

The School Board will consider adoption of a Parameters Resolution on September 12, 2022, which delegates authority to the Director of Business Services and a Board Officer to accept and approve a bid for the Certificates so long as the bid meets certain parameters specified in the resolution, thereby awarding sale of the Certificates.

We intend to accept bids on October 12 and present the results to the designated officials for their authorization on behalf of the Board. We will then ask the Board to adopt a resolution ratifying the award of sale at the October 17 Board Meeting.

Other Considerations:

To obtain financing for the addition, the District will enter into a Lease Purchase Agreement, a Ground Lease, and a Trust Agreement. All agreements will be prepared by the District’s bond counsel, Kennedy and Graven, Chartered. U.S. Bank Trust Company, National Association will serve as escrow agent, paying agent, and trustee.

Review of Existing Debt:

We have reviewed all outstanding indebtedness for the District and find that there are no refunding opportunities at this time.

We will continue to monitor the market and the call dates for the District's outstanding debt and will alert you to any future refunding opportunities.

Continuing Disclosure:

The District will be agreeing to provide certain updated Annual Financial Information and its Audited Financial Statement annually, as well as providing notices of the occurrence of certain reportable events to the Municipal Securities Rulemaking Board (the "MSRB"), as required by rules of the Securities and Exchange Commission (SEC). The District is already obligated to provide such reports for its existing debt, and has contracted with Ehlers to prepare and file the reports.

Arbitrage Monitoring:

The District must ensure compliance with certain sections of the Internal Revenue Code and Treasury Regulations ("Arbitrage Rules") throughout the life of the issue to maintain the tax-exempt status of the Certificates. These Arbitrage Rules apply to amounts held in construction, escrow, reserve, debt service account(s), etc., along with related investment income on each fund/account.

IRS audits will verify compliance with rebate, yield restriction and records retention requirements within the Arbitrage Rules. The District's specific arbitrage responsibilities will be detailed in the Tax Certificate (the "Tax Compliance Document") prepared by your Bond Attorney and provided at closing.

The Certificates may qualify for one or more exception(s) to the Arbitrage Rules by meeting 1) small issuer exception, 2) spend down requirements, 3) bona fide debt service fund limits, 4) reasonable reserve requirements, 5) expenditure within an available period limitations, 6) investments yield restrictions, 7) de minimis rules, or; 8) borrower limited requirements.

We recommend that the District review its specific responsibilities related to the Certificates with an arbitrage expert in order to utilize one or more of the exceptions listed above.

Investment of Certificate Proceeds:

Proceeds from the Certificates will be available for investment from the closing date (November 9, 2022) until project costs are paid. Ehlers can assist the District in developing a strategy to invest the proceeds from the Certificate until the funds are needed to pay project costs.

Other Service Providers:

This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can coordinate their engagement on your behalf. Where you have previously used a particular firm to provide a service, we have assumed that you will continue that relationship. For services you have not previously required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale sizing of the Certificates includes a good faith estimate of these fees, but the final fees may vary. If you have any questions pertaining to the identified service providers or their role, or if you would like to use a different service provider for any of the listed services please contact us.

Bond Counsel: Kennedy & Graven, Chartered

Rating Agency: Moody's Investors Service, Inc.

Escrow Agent/Paying Agent/Trustee: U.S. Bank Trust Company, National Association

This presale report summarizes our understanding of the District's objectives for the structure and terms of this financing as of this date. As additional facts become known or capital markets conditions change, we may need to modify the structure and/or terms of this financing to achieve results consistent with the District's objectives.

PROPOSED DEBT ISSUANCE SCHEDULE

Ehlers Presents Pre-Sale Report to School Board:	August 23, 2022
School Board Approves Resolution Authorizing Sale of the Certificates and Establishing Parameters for Awarding Sale of Certificates:	September 19, 2022
Due Diligence Call to Review Official Statement:	Week of September 26, 2022
Conference with Rating Agency:	Week of September 26, 2022
Distribute Official Statement:	September 29, 2022
Ehlers Receives and Evaluates Proposals for Purchase of Certificates; Designated Officials Award Sale of Certificates:	October 12, 2022
School Board Approves Resolution Ratifying Award of Sale:	October 17, 2022
Estimated Closing Date:	November 9, 2022

Attachments

Estimated Sources and Uses of Funds

Estimated Debt Service Schedule

EHLERS' CONTACTS

Jodie Zesbaugh, Senior Municipal Advisor	(651) 697-8526
Matthew Hammer, Municipal Advisor	(651) 697-8592
Greg Crowe, President	(651) 697-8522
Silvia Johnson, Senior Public Finance Analyst	(651) 697-8580
Brian Shannon, Manager, Senior Financial Analyst	(651) 697-8515

ESTIMATES PRIOR TO SALE OF CERTIFICATES

I.S.D. No. 273 (Edina), MN

\$14,655,000 Certificates of Participation, Series 2022A

Dated: November 9, 2022

Sources & Uses

Dated 11/09/2022 | Delivered 11/09/2022

Sources Of Funds

Par Amount of Bonds	\$14,655,000.00
Reoffering Premium	229,705.95
Total Sources	\$14,884,705.95

Uses Of Funds

Total Underwriter's Discount (1.000%)	146,550.00
Costs of Issuance	111,125.00
Deposit to Project Construction Fund	14,627,030.95
Total Uses	\$14,884,705.95

ESTMATES PRIOR TO SALE OF CERTIFICATES

I.S.D. No. 273 (Edina), MN

\$14,655,000 Certificates of Participation, Series 2022A

Dated: November 9, 2022

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
11/09/2022	-	-	-	-	-
10/01/2023	-	-	563,846.60	563,846.60	-
04/01/2024	480,000.00	5.000%	315,193.75	795,193.75	1,359,040.35
10/01/2024	-	-	303,193.75	303,193.75	-
04/01/2025	755,000.00	5.000%	303,193.75	1,058,193.75	1,361,387.50
10/01/2025	-	-	284,318.75	284,318.75	-
04/01/2026	790,000.00	5.000%	284,318.75	1,074,318.75	1,358,637.50
10/01/2026	-	-	264,568.75	264,568.75	-
04/01/2027	830,000.00	5.000%	264,568.75	1,094,568.75	1,359,137.50
10/01/2027	-	-	243,818.75	243,818.75	-
04/01/2028	875,000.00	4.000%	243,818.75	1,118,818.75	1,362,637.50
10/01/2028	-	-	226,318.75	226,318.75	-
04/01/2029	910,000.00	4.000%	226,318.75	1,136,318.75	1,362,637.50
10/01/2029	-	-	208,118.75	208,118.75	-
04/01/2030	945,000.00	4.000%	208,118.75	1,153,118.75	1,361,237.50
10/01/2030	-	-	189,218.75	189,218.75	-
04/01/2031	985,000.00	4.000%	189,218.75	1,174,218.75	1,363,437.50
10/01/2031	-	-	169,518.75	169,518.75	-
04/01/2032	1,020,000.00	4.000%	169,518.75	1,189,518.75	1,359,037.50
10/01/2032	-	-	149,118.75	149,118.75	-
04/01/2033	1,065,000.00	4.000%	149,118.75	1,214,118.75	1,363,237.50
10/01/2033	-	-	127,818.75	127,818.75	-
04/01/2034	1,105,000.00	4.000%	127,818.75	1,232,818.75	1,360,637.50
10/01/2034	-	-	105,718.75	105,718.75	-
04/01/2035	1,150,000.00	4.100%	105,718.75	1,255,718.75	1,361,437.50
10/01/2035	-	-	82,143.75	82,143.75	-
04/01/2036	1,195,000.00	4.250%	82,143.75	1,277,143.75	1,359,287.50
10/01/2036	-	-	56,750.00	56,750.00	-
04/01/2037	1,250,000.00	4.400%	56,750.00	1,306,750.00	1,363,500.00
10/01/2037	-	-	29,250.00	29,250.00	-
04/01/2038	1,300,000.00	4.500%	29,250.00	1,329,250.00	1,358,500.00
Total	\$14,655,000.00	-	\$5,758,790.35	\$20,413,790.35	-

Yield Statistics

Bond Year Dollars	\$136,110.58
Average Life	9.288 Years
Average Coupon	4.2309644%
Net Interest Cost (NIC)	4.1698700%
True Interest Cost (TIC)	4.1498377%
Bond Yield for Arbitrage Purposes	4.0162110%
All Inclusive Cost (AIC)	4.2524053%

IRS Form 8038

Net Interest Cost	4.0371310%
Weighted Average Maturity	9.201 Years

EXTRACT OF MINUTES OF MEETING
OF THE SCHOOL BOARD OF
INDEPENDENT SCHOOL DISTRICT NO. 273
(EDINA PUBLIC SCHOOLS)
HENNEPIN COUNTY, MINNESOTA

Pursuant to due call and notice thereof a regular meeting of the School Board of Independent School District No. 273 (Edina Public Schools), Hennepin County, Minnesota, was held in the School District on September 19, 2022, at 7:00 o'clock p.m.

The following members were present:

and the following were absent:

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION STATING THE INTENTION OF THE SCHOOL DISTRICT TO ISSUE CERTIFICATES OF PARTICIPATION, SERIES 2022A, IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$ _____; AND TAKING OTHER ACTIONS WITH RESPECT THERETO

BE IT RESOLVED by the School Board (the “Board”) of Independent School District No. 273 (Edina Public Schools), Hennepin County, Minnesota (the “District”), as follows:

1. Findings; Authorizations; Determinations.

(a) The District is authorized by Minnesota Statutes, Section 465.71, as amended (the “Act”), to enter into lease-purchase agreements for the lease of real and personal property with an option to purchase.

(b) The District has determined to finance the construction of a building addition at Countryside Elementary School and a building addition at Concord Elementary School (collectively, the “Project”) on property located in the District (the “Sites”).

(c) The District hereby deems it necessary and advisable to provide for the issuance of Certificates of Participation, Series 2022A (the “Certificates”), in the principal amount not to exceed \$ _____, to finance the costs of the Project (the “Certificate-Financed Project”).

(d) The District intends to enter into an Indenture of Trust (the “Indenture”) with U.S. Bank Trust Company, National Association, St. Paul, Minnesota (the “Trustee”), pursuant to which the Certificates will be issued. The District also intends to enter into a Ground Lease (the “Ground Lease”) with the Trustee, as lessee, pursuant to which the Trustee will acquire from the District a leasehold interest in the Sites on which the Certificate-Financed Project is located. Furthermore, the District intends to enter into a Lease-Purchase Agreement (the “Lease-Purchase Agreement”) with the Trustee, as lessor, pursuant to which the Trustee will lease the Sites and the Certificate-Financed Project (collectively, the “Leased Property”) to the District, and the District will make lease payments (the “Lease Payments”) to the Trustee, subject to the District’s right to non-appropriation under the terms of the Lease-Purchase Agreement.

2. The Act. The District covenants to comply with all procedures now or hereafter established by the Minnesota Department of Education pursuant to the Act and to take all actions required under the terms of the Act for the issuance, sale, delivery, and payment and prepayment of the Certificates in accordance with their terms and the terms of the Indenture, the Ground Lease, the Lease-Purchase Agreement, and related documents.

3. Municipal Advisor. Ehlers and Associates, Inc., the District’s independent municipal advisor (the “Municipal Advisor”), is authorized and directed to take all actions that are necessary or appropriate to assist the District in the issuance, sale, and delivery of the Certificates and in connection with any continuing disclosure obligations that may be imposed on the District in connection with the Certificates. The officers, employees, and agents of the District are hereby authorized to assist the Municipal Advisor in all actions that are necessary or appropriate in connection with the issuance, sale, and delivery of the Certificates and any related matters.

4. Procedure for Review of Proposals and Selection of Purchaser. The Board hereby authorizes and directs the Director of Business Services and any Board officer (the “Authorized Officials”),

with the advice of the Municipal Advisor, to review proposals for the purchase of the Certificates and award the sale of the Certificates to the prospective purchaser (the "Purchaser") based on the recommendation of the Municipal Advisor and the following parameters: (i) the principal amount of the Certificates shall not exceed \$ _____; and (ii) the true interest cost shall not exceed [_____] percent [(_____)%].

5. Acceptance of Proposal. The Board will meet at a regular or special meeting on the first practicable date after acceptance by the Authorized Officials of the proposal of the Purchaser, to ratify such acceptance and take any other appropriate action with respect to the Certificates.

6. Authority of Municipal Advisor. The Municipal Advisor is authorized and directed to notify potential purchasers of the proposed sale of the Certificates in accordance with the terms of the proposal to be prepared for the Certificates.

7. Authority of Bond Counsel. The law firm of Kennedy & Graven, Chartered, as bond counsel for the District ("Bond Counsel"), is authorized to act as bond counsel and to assist in the preparation and review of necessary documents, certificates, and instruments relating to the Certificates. The officers, employees, and agents of the District are hereby authorized to assist Bond Counsel in the preparation of such documents, certificates, and instruments.

8. Limited Obligations. The Certificates shall be special, limited obligations payable solely from annual appropriations of the District made to pay the Lease Payments, in the manner provided in the Lease-Purchase Agreement, and amounts held by the Trustee under the terms of the Indenture. The obligations of the Lease-Purchase Agreement and the Certificates shall not constitute a general or moral obligation, or a pledge of the full faith and credit or any taxing power of the District, the State of Minnesota, or any political subdivision thereof. The Lease-Purchase Agreement shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the District except its interest in the Lease-Purchase Agreement and the Leased Property.

9. Non-Appropriation. The Lease-Purchase Agreement shall provide that the District may elect in any fiscal year to not appropriate funds for the next fiscal year to make the Lease Payments required under the terms of the Lease-Purchase Agreement. The obligations of the District under the Lease-Purchase Agreement shall not be payable from nor charged upon any funds of the District other than the funds appropriated annually to the payment thereof. In the event of a non-appropriation of Lease Payments by the District in any fiscal year, the District shall lose the right to operate and occupy the Leased Property for the remaining term of the Lease-Purchase Agreement and the Certificates.

10. Representations, Warranties, and Covenants. In the resolution ratifying the sale of the Certificates, the District shall approve such agreements, instruments, and other documents as are necessary or appropriate to the issuance of the Certificates and provide for such representations, warranties, and covenants as are required by the terms of the Act, as are agreed to by the District and the Trustee, and as the District deems necessary or appropriate in connection with the issuance, sale, and delivery of the Certificates.

11. Official Statement. In connection with the offer and sale of the Certificates, the officers and employees of the District are authorized and directed to prepare a preliminary official statement and final official statement (collectively, the "Official Statement"), with the assistance and cooperation of the Municipal Advisor and Bond Counsel, and to make arrangements for the delivery the Official Statement to appropriate recipients.

12. Reimbursements.

(a) The Internal Revenue Service has issued Treasury Regulation Section 1.150-2 (the “Reimbursement Regulations”) providing that proceeds of tax-exempt bonds allocated to reimburse expenditures originally paid from a source other than the tax-exempt bonds will not be deemed expended unless certain requirements are met. The District may incur certain expenditures to be financed temporarily from sources other than the Certificates to be reimbursed from the proceeds of the Certificates. Therefore, the District has determined to make this declaration of official intent (the “Declaration”) to reimburse certain costs from proceeds of the Certificates in accordance with the Reimbursement Regulations.

(b) The District reasonably expects to reimburse original expenditures made for certain costs of the Project from the proceeds of the Bonds in an estimated maximum principal amount of \$ _____. All reimbursed expenditures will be capital expenditures, costs of issuance of the Certificates, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.

(c) This Declaration has been made not later than sixty (60) days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of the Certificates, except for the following expenditures: (i) costs of issuance of the Certificates; (ii) costs in an amount not in excess of \$100,000 or 5 percent of the proceeds of the Certificates; or (iii) “preliminary expenditures” up to an amount not in excess of twenty percent (20%) of the aggregate issue price of the Certificates that finance or are reasonably expected by the District to finance the Project for which the preliminary expenditures were incurred. The term “preliminary expenditures” includes architectural, engineering, surveying, Certificate issuance, and similar costs that are incurred prior to commencement of acquisition, construction, or rehabilitation of the Project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.

(d) This Declaration is an expression of the reasonable expectations of the District based on the facts and circumstances known to the District as of the date hereof. The anticipated original expenditures for the Project and the principal amount of the Certificates are consistent with the District’s budgetary and financial circumstances. No sources other than proceeds of the Certificates to be issued under the terms of the Indenture are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the District’s budget or financial policies to pay such original expenditures.

(The remainder of this page is intentionally left blank.)

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

and the following voted against:

whereupon the resolution was declared duly passed and adopted.

STATE OF MINNESOTA)
)
COUNTY OF HENNEPIN) ss.
)
INDEPENDENT SCHOOL)
DISTRICT NO. 273)

I, the undersigned, being the duly qualified and acting Clerk of Independent School District No. 273 (Edina Public Schools), Hennepin County, Minnesota (the “District”), hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the School Board of the District held on the dated specified above, with the original minutes on file in my office and the extract is a full, true and correct copy of the minutes, insofar as they relate to the intention of the District to issue Certificates of Participation, Series 2022A, in the maximum aggregate principal amount of \$_____.

WITNESS My hand as such Clerk this _____ day of _____, 2022.

Clerk of the School Board
Independent School District No. 273 (Edina Public
Schools), Hennepin County, Minnesota



7/20/2022

Edina Public Schools
5701 Normandale Road
Edina, MN 55424

Dear Superintendent Stanley;

The Minnesota Department of Education has received your request for the Payable 2023 capital lease levy authority pursuant to Minnesota Statutes, section 126C.40. Based on the criteria in the statute and our review of your projects, your request has been approved.

The request consists of additions on two elementary schools, Countyside Elementary School and Concord Elementary School. The improvement at Countryside Elementary consists of classrooms as well as a multi-purpose room. The Concord Elementary improvements include a special education classroom and a multi-purpose classroom. Both projects do not exceed 20% of the existing building footprint, which meets the criteria of the capital lease levy statute. The projects will be funded with Certificates of Participation with a term of 15 years at approximately \$1,324,000 per year beginning in payable 2023.

The Levy Information System is not open yet for the year, but please add the approved capital lease information as a new lease in the Building/Land Lease Payable 2024 section in the Levy Information System (<https://education.mn.gov/MDE/dse/datasub/LevyInfo/>). The lease amount will be included on your district's Payable 2023 Levy Limitation and Certification report by September 30, 2022.

If you have questions regarding the levy process, please contact Jason Reil at (651) 582-8866.

Sincerely;

A handwritten signature in black ink that reads 'Daley Lehmann'.

Daley Lehmann
Assistant Director – School Finance
Minnesota Department of Education

CC. Terri Yetter, Director, School Finance
Jason Reil, Levy Coordinator



Board Meeting Date: 8/23/2022

TITLE: Athletic Coach Stipend Recommendation for 2022-23, 2023-24, 2024-25

TYPE: Discussion

PRESENTER(S): Troy Stein, Assistant Principal/Activities Director

BACKGROUND: In the fall of 2021, Edina Public Schools and EM/E agreed to remove all sport coaches stipends from the EM/E teacher contract. At the time, less than 15% of athletic coaches were teachers. Due to the later October 2021 contract settlement, it was determined by Troy Stein and John Toop to give the same 1.5% (about 3.2% with lane changes) raise to athletic coaches for 2021-2022. This was in line with the recently approved extracurriculars (Fine Arts, Activities, Clubs) in the EM/E contract. An Athletic Stipend Committee was formed in the spring of 2022 to determine a new salary schedule for athletic coaches. This report is the outcome of that planning.

RECOMMENDATION: To review and discuss the Athletic Coaches Stipend Recommendation from the Athletic Coaches Stipend Committee. Then, look for approval at the September school board meeting.

Desired Outcomes from the Board: Read and come prepared with questions at the work session.

ATTACHMENTS: See attached

Athletic Stipends Recommendation for 2022-23, 2023-24, 2024-25

In the fall of 2021, Edina and EM/E agreed to remove all sport coaches stipends from the [EME teacher contract](#). At the time, less than 15% of athletic coaches were teachers. Due to the later October 2021 contract settlement, it was determined by Troy Stein and John Toop to give 1.5% (about 3.2% with lane changes) raise to athletic coaches for 2021-2022. An Athletic Stipend Committee was formed in the spring of 2022 to determine a new salary schedule for athletic coaches.

Athletic Stipend Committee: Troy Stein - AP/AD; Katie Aafedt - female sport head soccer coach; Jeff Mace - female swimming & diving head coach and assistant coach; Jamie Kirkpatrick - head cross country coach and assistant coach; Jason Potts - football head coach and EHS teacher; and Joe Burger - head basketball coach and activities.

The Committee reviewed the current model that was developed with a point system. Points were awarded based on (1) size, (2) equipment & facilities, (3) health & safety, (4) community interest, (5) evenings and Saturday commitments, and (7) number of weeks in a season. There were drawbacks in the current model in that it was difficult to differentiate points for health & safety and community interest. All sports value health & safety and view those involved in their sport to be very interested. After reviewing other options, it was determined to focus on three aspects:

1. Any changes would reflect a near cost neutral investment from the district.
2. Pay coaches for the number of weeks in a season.
3. Immediately improve the stipends of head coaches (ranked 6th out of 7th in Head Coach Pay in the Lake Conference in 2021-22).

The recommendation of the Athletic Stipend Committee is as follows:

- Create a step athletic stipend schedule (below represents the first 3 steps) that pays coaches in accordance with the number of weeks in a season. The season includes the regular season and postseason (up through the state tournament). Start with 3 steps in the stipend schedule.
- In the year 2023-24, a returning coach would move onto step 2.
- Roll the yearly cost of postseason pay stipends (estimated at \$35,000 annually) into the new stipend schedule. This estimation is based upon past yearly payouts.
- Place all coaches on step 1 of the NEW Athletic Stipend schedule:
 - Head Coaches earn \$498 per week.
 - Varsity and JV assistant coaches would earn 70% of the head coach salary.
 - B-squad and lower coaches would earn 65% of the head coach salary.
- This proposed structure will give 95% of all coaches a raise in their stipend from the 2021-22 school year. The remaining 5% of coaches will continue to receive their 2021-22 stipend for the 2022-23 school year and beyond until the revised schedule and their placement thereon reaches their 2021-22 stipend amount (red-circled).

- The average tenure of a coach is approximately 3-4 years. A new coach would be placed on step 1 (or considered for a higher step if equivalent high school coaching experience).
- The Athletic Stipend Committee will reconvene during the 2024-25 school year to assess the structure and determine the next 3 steps to the Athletic Stipend Schedule.

Head Coach Athletic Stipend Schedule

Step	11-Wk Season	12-Wk Season	13-Wk Season	14-Wk Season	15-Wk Season	16-Wk Season	17-Wk Season	18-Wk Season	Amt / Week	% Increase
1	\$5,478	\$5,976	\$6,474	\$6,972	\$7,470	\$7,968	\$8,466	\$8,964	\$498	
2	\$5,544	\$6,048	\$6,552	\$7,056	\$7,560	\$8,064	\$8,568	\$9,072	\$504	1.2% (\$10.030)
3	\$5,610	\$6,120	\$6,630	\$7,140	\$7,650	\$8,160	\$8,670	\$9,180	\$510	1.2%

EPS Athletic Stipends - Assistant Coaches at 70% of Head Coach

Year	11-Week Season	12-Week Season	13-Week Season	14-Week Season	15-Week Season	16-Week Season	17-Week Season	18-Week Season
1	\$3,834.60	\$4,183.20	\$4,531.80	\$4,880.40	\$5,229.00	\$5,577.60	\$5,926.20	\$6,274.80
2	\$3,880.80	\$4,233.60	\$4,586.40	\$4,939.20	\$5,292.00	\$5,644.80	\$5,997.60	\$6,350.40
3	\$3,927.00	\$4,284.00	\$4,641.00	\$4,998.00	\$5,355.00	\$5,712.00	\$6,069.00	\$6,426.00

EPS Athletic Stipends - Assistant Coaches at 65% of Head Coach

Year	11-Week Season	12-Week Season	13-Week Season	14-Week Season	15-Week Season	16-Week Season	17-Week Season	18-Week Season
1	\$3,560.70	\$3,884.40	\$4,208.10	\$4,531.80	\$4,855.50	\$5,179.20	\$5,502.90	\$5,826.60
2	\$3,603.60	\$3,931.20	\$4,258.80	\$4,586.40	\$4,914.00	\$5,241.60	\$5,569.20	\$5,896.80
3	\$3,646.50	\$3,978.00	\$4,309.50	\$4,641.00	\$4,972.50	\$5,304.00	\$5,635.50	\$5,967.00

Overall Impact to the Athletic Budget

The recommended changes to the athletic stipends reflects an almost cost neutral transition to the new athletic stipend schedule. The committee felt that holding the 5% of coaches “harmless” that would not see a raise at their returning salary was important. The athletic budget would be adjusted this year to accommodate the slight increase.

Regular Season Stipends 2021-22	\$ 778,151
Postseason Pay Average	\$ 35,000
Total Stipends Paid 2021-22	\$ 813,151
2.8% Total Stipend Increase which includes natural lane increases (3 steps had appx. 4% increase in lane changes).	\$ 22,768
2022-23 Athletic Stipend Budget	\$ 835,919
Step 1 of NEW Athletic Stipend Schedule	\$835,934
95% of coaches will see a raise. Cost to hold Salaries from any decrease for the 5%	\$1,396
2022-23 Athletic Stipend Projection	\$837,330
Amount to be adjusted for 2022-23 Athletic Budget to cover stipends for this year.	-\$1,411

2021-22 Average Regular Season Coach Pay in Lake Conference

1	Wayzata	\$5,725
2	STMA	\$5,305
3	Eden Prairie	\$5,227
4	Hopkins	\$5,184
5	Minnetonka	\$5,022
6	Edina	\$5,013
7	Buffalo	\$4,279

The committee believes this will help make Edina coaches competitive in pay in the Lake Conference moving into the 2022-23 school year and beyond.



Board Meeting Date: 8/23/2022

TITLE: Kids Club Hiring and Retention Strategy Update

TYPE: Report

PRESENTER(S): Dr. Anne Marie Leland, Director of Community Education & Strategic Partnerships

BACKGROUND: Community Education has taken multiple action steps for mitigating staff shortages at Kids Club, including adding one enrichment course at each elementary sites for Kids Club waitlisted families, continuation of EHS Education Career Pathway course recruitment, partnered with job service programs and recruitment agencies, and marketing incentive pay. On Tuesday, August 16 and Wednesday, August 17, Dr. Stanley, Rachel Hicks, and Anne Marie Leland held two forums for waitlisted families that were well attended. Parents were able to ask additional questions. Based on feedback from families, changes will be made to the registration process.

RECOMMENDATION: Continued support of hiring strategies.

DESIRED OUTCOMES FROM THE BOARD: We ask you to review this information in detail and be prepared with your questions.

ATTACHMENTS: Kids Club Information Session Presentation for Waitlisted Families

EPS School Board Meeting: 08/23/22

TITLE: Kids Club Hiring and Retention Strategy Update

TYPE: Information

PRESENTER(S): Dr. Anne Marie Leland, Community Education & Strategic Partnerships Director

BACKGROUND: Action steps that Community Education has taken for mitigating staff shortages at Kids Club:

- * Adding one enrichment course at each elementary sites for Kids Club waitlisted families
- * Continuation of EHS Education Career Pathway course recruitment
- * Partnered with job service programs and recruitment agencies
- * Marketing incentive pay

On Tuesday, August 16 and Wednesday, August 17, Dr. Stanley, Rachel Hicks, and I, held two forums for waitlisted families that were well-attended. Parents were able to ask additional questions. Based on feedback from families, changes will be made to the registration process.

RECOMMENDATION: Continued support of hiring strategies.

Desired Outcomes from the Board: We ask you to review this information in detail and be prepared with your questions.

ATTACHMENTS: Kids Club Information Session Presentation to Waitlisted Families

Kids Club Information Session

Presentation & Questions Regarding the Waitlist
August 17, 2022 (online)

*Rachel Hicks, Youth Programs Coordinator,
Dr. Anne Marie Leland, Community Ed & Strategic Partnerships, &
Dr. Stacie Stanley, Superintendent*

Introductions

Thank you for being with us today!

Presenters

- Dr. Stacie Stanley, Superintendent
- Rachel Hicks, Youth Programs Coordinator
- Dr. Anne M Leland, Community Ed & Strategic Partnerships

Logistics

- Presentation
- Have some paper and write your questions, use the chat to write your question if it hasn't been answered during the presentation
- Review questions

Welcome: Recognizing Stressful Situation for Families



Future Goals with Kids Club & After School Program Options

- Fall enrichment registration opened at 8am on Tuesday, 8/16/22
- One additional enrichment offering per day, Monday through Friday for KC waitlist families will be offered at each of the six sites - more information to come
- Continue hiring - **WE ARE NOT ELIMINATING THE WAITLIST**
- Registration process will be re-evaluated (feedback opportunity will become available and you will be notified to participate)

Overview of Current Situation: Concerns & Challenges

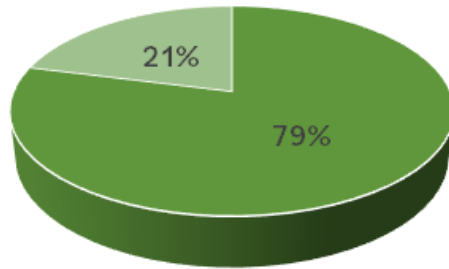
- Review enrollment and registration practices (website crashed - mitigating issue for the future)
- Prioritizing and making exceptions
- Waitlist determination and waitlist number - **WE ARE NOT ELIMINATING THE WAITLIST**
- School age care options in Edina
- Neighboring districts have waitlists
- Local, regional, and national issue
- Analyze and compare hourly wages with like districts
- Hiring constraints and scheduling
- Unemployment rates are at a historical low

High Quality Kids Club Programming

- Introduced Timbernook programming this Summer
- Increased focus on developmentally appropriate activities
- Leadership development emphasis for staff
- Continued partnerships with school and district staff to ensure student and family transition
- Full-time, straight shift positions for Kids Club staff

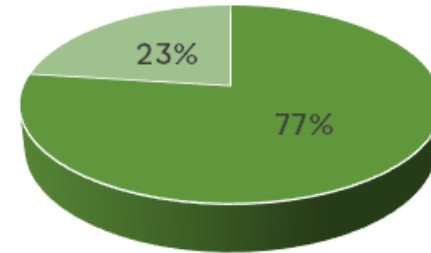
Kids Club Demographics: Accepted Contracts

2022-23 Accepted
Kids Club Contracts



■ Edina ■ Non-Edina

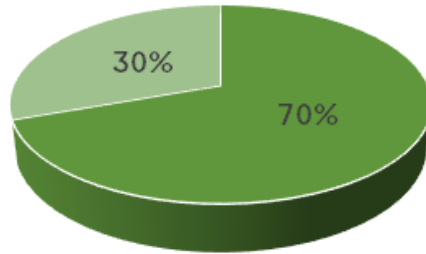
2022-23 EPS
K-12 Enrollment



■ Edina ■ Non-Edina

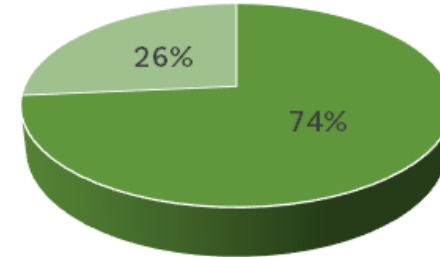
Kids Club Demographics: Waitlisted & Total Requested Contracts

2022-23 Waitlisted
Kids Club Contracts



■ Edina ■ Non-Edina

2022-23 Total Requested
Kids Club Contracts



■ Edina ■ Non-Edina

Wage Comparison with Neighboring Districts

Edina Rec Leader Wage Range: \$15.48 - 19.74, plus incentive pay up to \$1,250

	Bloomington	Eden Prairie	Minnetonka	Anoka	Osseo	Hopkins	Eastern Carver	Wayzata
Equivalent position wage ranges	\$15.15 - 19.74	\$16.83 *	\$17 *	\$14.16 - 15.37	\$15.95 - 20.37	\$13.44 - 17.36	\$16.93 *	\$14.00 - 17.78

***Experience not considered in placement**

Record Low Unemployment

Statistics

From [Bureau of Labor Statistics](#), [United States Department of Labor](#) via [Data Commons](#)

Minnesota

United States

Unemployment rate

1.8%

Updated Jun 2022

Total unemployed people

57K

Updated Jun 2022

Unemployment insurance claims

26K

Updated Aug 6, 2022

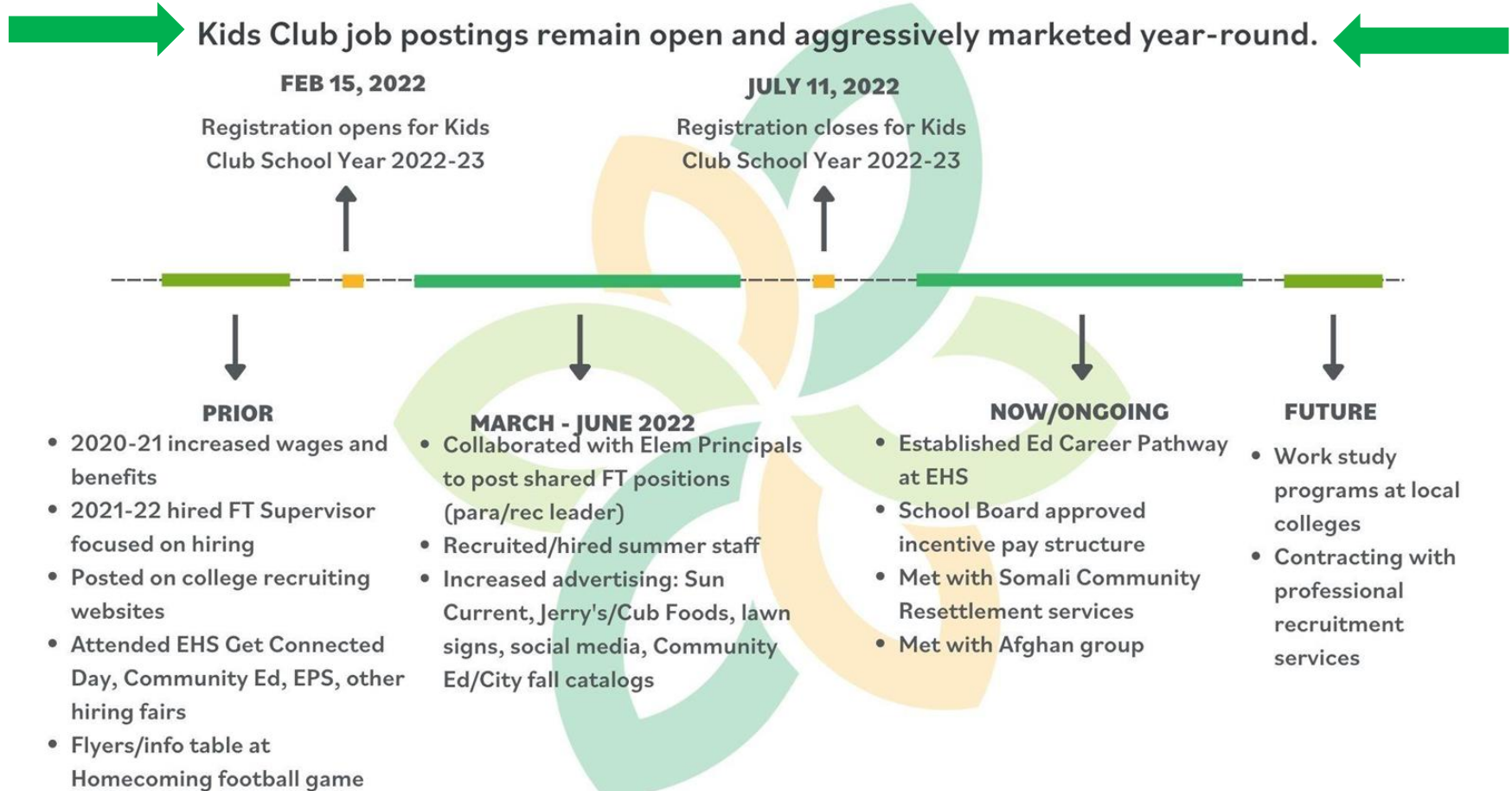
Unemployment rate

Total unemployed people

Unemployment insurance claims



Review of Recruitment, Hiring, & Retention Strategies



Thank you!