

The finance committee met in the Forum Room on March 11, 2021 at 4:30 p.m. with the following present: Abby Geotz, Kim Coughlin and Mike Domin. Jamie Skjeveland, Jen Strom and Bill Tollefson were also present.

2021-2022 Planning

2021-22 Staffing - The committee was updated on a number of staffing items that have been in flux as planning continues for next school year.

Proposed Secondary Class Schedule – Jen Strom, Secondary School Principal, led a discussion about the proposed 2021-2022 staffing levels and course offerings that would be available at the secondary school with attrition and the overloads that will be discussed in greater detail later in this meeting summary. Of particular interest was the resignation of the Family and Consumer Science (FACS) teacher and one of the secondary English teachers. With the potential that there will be no applicants for the FACS position, a number of items were discussed, including alternative staffing for electives and what to do in regard to the planning remodeling in that space. The committee and administration agreed to let the existing job posting run for as close to 30 days as possible and to reassess after that. In regard to the English position, if the successful applicant does not have a Master's degree in English, there may need to be some reduction or reassignment of College-In-the-School classes offered in this curricular area. The High School will need to have a decision regarding what to do if a FACS teaching candidate is not hired by May 1, 2021 or sooner, if possible. This will require decisions regarding options for electives offered and the associated staffing, as well as whether or not to continue with remodeling the FACS kitchen room, which is slated to happen in the summer of 2021.

Attrition Revisited – At the February 10, 2021 Finance Committee meeting, the committee had worked toward agreement on attempting budget reduction based on attrition from teacher retirements. This included an elementary classroom teacher, a social studies teacher, a math teacher, and a physical education/health teacher. After revisiting these proposed reductions by attrition, the committee learned that several experimental strategies to not replace the physical education/health teacher had not worked out as anticipated and had resulted in the conclusion that this reduction would not be possible. The other three will continue to be pursued.

Distance Learning – The issue of whether distance learning will be allowed in 2021-2022 will need to be decided by and enacted through the Minnesota legislature and the Governor, either by a change to state statute or by executive order. Currently, aside from the executive orders relating to the COVID-19 pandemic, statute does not allow for this option as we have come to know it in 2019-2020 and 2020-2021. The committee discussed what the implications would be if distance learning became an option for 2021-2022 and how it might impact staffing and enrollment. Currently, in-person learners at CRES do not have access to specialized STEAM instruction because the STEAM teacher has been reassigned to cover two grade levels of distance learning. This option was not seen as favorable for 2021-2022 and beyond. Also, the need for a four-day in-person student week at the high school to allow the fifth day for teachers to prepare for and provide distance learning instruction was also seen as undesirable if it were to continue. Some school districts are looking at an approach called online learning, which could be studied further, but is already an option through Infinity Online, of which the Crosby-Ironton School District is a founding member. The committee also discussed that there would need to be some formal assessment of students to make sure that students are obtaining acceptable educational outcomes under this learning model. More discussions will continue regarding this topic, pending legislative authorization.

Reduction Options Beyond Attrition – The committee looked at one additional reduction beyond those identified as attrition. This option would reduce the current health paraprofessional position in the high school office from full-time to half-time. The current employee would not lose their job, but would be assigned to a different work day structure that would include working as a health paraprofessional approximately half the time and being a special education paraprofessional approximately half the time. A more detailed schedule will need to be established and likely modified through the 2021-2022 school year to fine tune how this would work.

Overloads Update – If the social studies department remains at three teachers, there will need to be three one semester overloads in social studies in 2021-2022 to provide required graduation credit in Human Geography, which is proposed to be phased out after 2021-2022, but necessary as additional coursework in civics needs to be implemented for 9th graders. This would be a one-year transition and would not impact 2022-2023. Cost is estimated to be approximately \$15,000. There are no other overloads presently anticipated for 2021-2022.

Plan to Balance the Budget – Interactive Projection Model – The committee discussed the two options available to alleviate budget deficits – either reducing expenditures or increasing revenues. With the difficulties in determining areas of potential expenditure reduction, the committee commenced a discussion about increasing revenue. The process of increasing revenue would be to begin working on the process to call for an operating referendum election to be held on election day in November, 2021. The committee discussed a variety of topics relating to an operating referendum, including issues of timing and the stressors of coming off a pandemic year, the need to justify the referendum, how an operating referendum may go hand-in-hand with helping to support the strategic plan that is currently under development, and general concern regarding the impact on property taxpayers. The committee asked that administration make contact with the District’s financial advisors at Ehlers to develop some background information that can be presented to the Board for further consideration.

As an additional tool to seeing the impact of current decisions on the longer-term financial condition of the School District, the committee reviewed an updated interactive projection model and discussed assumption variables that could have an impact on the Unreserved Fund Balance in the General Fund over the next several budget cycles. Several significant factors include how federal COVID funding will interplay with regard to supplement versus supplant and the ability to use these additional funds to offset already existing expenditures (which will only delay and not permanently resolve the fund balance spenddown), assumptions used for negotiation settlements, the spend-off of the Reserved for Basic Skills Fund Balance and shifting of those expenditures to the Unreserved portion of the budget, and currently un-vetted issues with special education aid. The projection model will be used at a future Board workshop as a tool to update the entire School Board on the financial issues facing the School District.

Enrollment Report – The committee was provided with the standard enrollment reports, which had been updated through the first week in March, 2021. Enrollment growth happened during February 2021, as students continued to migrate from home school back to the school district as the school district moved off of distance learning to full in-person learning at the elementary school and a four day per week hybrid model at the secondary. The seven month year-to-date average is 1,066 students, which continues to be below the enrollment projection used in the 2020-2021 Preliminary Budget of 1,079. Assuming no unusual in- or out-migration, the enrollment average should start to firm up as an almost-final figure for 2020-2021 soon, with smaller changes to the average as the school year draws to a close.

The meeting adjourned at 8:10 p.m.

Respectfully prepared and submitted by William Tollefson