

CROSBY-IRONTON SCHOOLS
FINANCE COMMITTEE MEETING SUMMARY
February 10, 2021

Item 7.2a

The finance committee met in the Forum Room on February 10, 2021 at 4:30 p.m. with the following present: Abby Geotz, Kim Coughlin and Mike Domin. Jamie Skjeveland and Bill Tollefson were also present.

2021-2022 Planning

Operational Efficiencies – The committee revisited the topic of obtaining operational efficiencies through a variety of potential alternative staff models. The committee is interested in exploring efficiencies beyond financial savings, including reduction of administrative burden and improved productivity outcomes. Research will continue over the next 18 months to review what other schools might have or be experiencing, along with development of transition strategies and communications.

2021-22 Staffing - The committee was updated on a number of staffing items that have become finalized since the last finance committee meeting, including:

Attrition Update – Three members of the teaching staff provided the school district with notification of their retirement at the end of the 2020-2021 school year prior to the February 1st suggested deadline included in the Teacher Master Agreement. There was discussion about a potential fourth retirement.

Non-Renewals Update – After review of a variety of factors, it appears that there will be one non-tenured staff non-renewal this Spring. Per the January finance committee meeting direction, the plan would be to provide notice leading up to the February Board meeting, with action at the February Board meeting to provide the individual with as much lead time as possible to be competitive in the job market.

Reduction Options Beyond Attrition – The committee review one additional potential budget reduction consideration beyond attrition. Some additional data will be collected prior to moving forward with the option being explored.

Overloads Update – The overload structure considered for 2021-2022 has changed from one health overload for one semester, which will no longer be necessary; to the probable need of three semester overloads in social studies to provide required graduation credit in Human Geography, which is proposed to be phased out after 2021-2022, but remaining necessary as additional coursework in civics is implemented. This would be a one-year transition and would not impact 2022-2023. Cost is estimated to be approximately \$25,000.

Coordination of Meeting Schedule vs. Committee Reassignment – One of the School Board members assigned to the finance committee has recently accepted a new position which has a work schedule that may not be conducive to the finance committee meeting schedule. After some discussion, the Board member indicated that an option of moving the meetings from late afternoon to morning meetings would likely work. The committee will work to set future meetings to accommodate that request.

COVID-Related Updates – The committee was updated on a number of COVID-related issues, including:

Extension of Expired Federal FFCRA Leave Beyond March 31, 2021 – At the January 2021 regular School Board meeting, the Board approved the extension of the Federal FFCRA Leave through March 31, 2021. New information was provided that extending the leave beyond March 31, 2021 may not have a public purpose, and that may result in unauthorized expenditure of public funds, unless there is some sort of authorizing action taken by the federal government. If no action is taken by the federal government, this leave will likely expire on March 31, 2021.

ESSER-90% - II – Information relating to the Elementary and Secondary School Emergency Relief provided by the Coronavirus Response and Relief Supplemental Appropriations (CCRSA) law passed by Congress and signed by the President on December 27, 2021 has been slow in coming from the federal level. MDE had released an initial appropriation of \$1,143,003 for Crosby-Ironton. Although this is exciting, there are a number of issues that remain uncertain including if the funds must comply with the typical federal supplement versus supplant rules (which would greatly reduce the benefit of how funds can be spent is they cannot be used to supplant) and whether expenditures made must include an association or link with an expenditure necessary due to the COVID-19 pandemic. The list of twelve (12) uses authorized for ESSER-90% - I funds will continue to be eligible, along with three additional eligible uses – addressing learning loss among students, school facility repairs and improvements, and HVAC replacement and upgrades. Information will continue to be gathered over the next several weeks and the District Office will continue to use the latest information as expenditures are coded in an attempt to maximize the use of funds provided by the various federal and state programs.

GEER – II – Information relating to the Governor’s Emergency Education Relief (GEER – II) provided by the Coronavirus Response and Relief Supplemental Appropriations (CCRSA) law is now working its way through the state process. The Governor has proposed using the majority of the funds to provide in-person summer school over the summer of 2021 with processes in place to identify learners who have experienced learning loss during COVID and ways to measure improvement. Other items will include Service Cooperative staff, school lunch aid, and assistance for school-age care cost reimbursement.

Both ESSER-90 – II and GEER – II need to be approved by the legislature before funds can be spent. When the legislature is not in session, there is a twenty (20) day window, but that twenty (20) day window is removed when the legislature is in session, which may mean that a final decision may not be made until mid-May. Time is of the essence, especially if the primary use of GEER – II funds is to provide in-person summer school during the summer of 2021, as much planning will need to take place in order to facilitate that.

The committee received a summary document outlining the entitlements and use of funds to-date of the Coronavirus Relief Fund (CRF) which had to be expended by December 31, 2020; a Crow Wing County COVID grant which had to be expended by November 10, 2020; GEER-I funding which was spent on finalizing the one-to-one learner-to-device initiative in grades K-2; and use of ESSER-90% - I funds, a portion of which have to be claimed prior to March 15, 2021.

Legislative Items – The committee received a brief update on House File 4 and the recently released Governor’s budget recommendation. H.F. 4 provides assistance for enrollment changes experienced during COVID and would provide funding based on pupil counts for 2020-2021 only that would be the higher of 2019-2020 or 2020-2021 actual counts. This would provide relief for enrollment loss, and may also help to provide relief for compensatory funding declines based on reduced numbers of applications received for free and reduced meals. The Governor’s budget also provides a modification to declining enrollment aid to soften the impact of enrollment loss. Finally, the Governor’s budget proposal requests a 1% increase in General Education Revenue for 2021-2022 and a 2.5% increase for 2022-2023. Based on current pupil unit estimates, this would provide \$72,798 in additional funding. This revenue increase would be quickly offset by the anticipated enrollment decline and also by the expenses associated with step increases in the Teacher Master Agreement that will add \$122,000 in cost, based on currently staffing.

Pandemic-EBT – The December CCRSA law provided a funding source that provides additional food benefits for free and reduced students during periods when the School District is operating in distance learning or hybrid model instruction during the 2020-2021 school year. In order to facilitate the delivery of these EBT cards to families, MDE has to collect a significant amount of information from School Districts. This process will involve an entirely new data collection system, which will be moved through in an attempt to provide data from schools to MDE by the end of February.

Distance Learning in the Future – The committee was updated that administration would be presenting information on the potential of providing instruction via distance learning methods after the pandemic is over.

Enrollment Report – The committee was provided with the standard enrollment reports, which had been updated through the first week in February, 2021. Enrollment growth happened during January 2021, as some students migrated 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 six month year-to-date average is 1,065 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.

The meeting adjourned at 5:58 p.m.

Respectfully prepared and submitted by William Tollefson