

The finance committee met in the District Office conference room on March 9, 2022 at 4:30 p.m. with the following present: Barb Neprud and Kim Coughlin. Jamie Skjeveland and Bill Tollefson were also present.

Enrollment – The committee received the sixth enrollment report of the 2021-2022 school year. Enrollment declined in January and February but stabilized now at that slightly reduced level. The average enrollment continues to remain about 30 students over the preliminary budget projection.

2021-2022 Modifications – The committee reviewed three modifications for the 2021-2022 school year.

Energy Consumption/Inflation and Winter Costs – The cost of natural gas and electricity have increased over the past two months and for utility use ending toward the end of February, the budget for both electricity and natural gas is almost at the point of exceeding the annual budget. Updated figures for these budget line items will reflect an increase when the 2021-2022 Revised Budget is presented.

Substitute Teacher Costs – Title I – The committee was updated regarding ongoing substitute teacher issues at CRES. Title I teachers have had to be reassigned to substitute as classroom teachers on days when there are an insufficient number of substitute teachers to cover all absences. This is not an allowable Title I expenditure, so the expenditure value of that time has to be moved from Title I to the regular substitute teacher budget. This will result in a significant under expenditure of Title I funds in 2021-2022, which will create carryover in excess of the 15% of entitlement carryover limit. If the federal government does not provide an automatic waiver, the School District will need to use its' once every three year waiver to avoid the allocation being returned to the federal government. Plans will have to be made in 2022-2023 to expend the allocation and the excess carryover.

COVID Funding vs. Regular Costs – The committee was updated on two proposals for 2022-2023 that are being recommended for approval.

Math Instructional Coach - The first is a proposal that would provide a Math Instructional Coach position at CRES for 2022-2023 and perhaps 2023-2024. This position would function in much the same way that the Reading Instructional Coach position, currently held by Brenda Bendson and funded through Title I, functions, where the instructional coach works with individual classroom teachers to enhance lesson development and improving instructional delivery. The Math Instructional Coach, like the Reading Coach, may be assigned to one or two WIN groups, providing remedial and enhanced math instruction directly to students. Depending on the level of Title I carryover, a portion of this position may be eligible to be funded through Title I to spend the excess carryover. Learning loss is a goal of all the COVID funding streams, and this would tackle the issue from a different direction – professional development to make teachers better teachers of math at the elementary level and thus remediate learning loss. The committee viewed this as a favorable proposal.

Summer Academic and Mental Health Support – One specific stream of COVID-based funding provided under the American Rescue Plan, State Fiscal Recover (SFRF), Governor's Summer Supports is called Summer Academic and Mental Health Support. These funds have to be used during the summer of 2022 and expended and claim for reimbursement by August 31, 2022. Ranger Outdoor Adventure is a course on outdoor survival skills, including an opportunity to practice learned skills during a multiple day canoeing/camping trip. One trip would be for boys and another for girls. Participation would be determined by student application and interview. The committee generated a list of questions and concerns about this proposal and other options that might be available in lieu of a multiple day excursion. Questions including how to handle a special

education student who needs a one-to-one para, guide training on mental health and other interdisciplinary issues, who is the target audience, is an outfitter available to help facilitate these events, and are there other options such as the challenge course that students participate in as part of a 5th grade field trip. These questions will be vetted and additional information will be provided.

2022-2023 Planning – The committee received a number of items relating to the 2022-2023 school year.

2022-2023 Enrollment Projection – The committee was updated that the enrollment projection for 2022-2023 is still a work in progress, with no clear means identified to determine if the influx of students enrolling during the 2021-2022 school year will remain at Crosby-Ironton for the 2022-2023 school year.

High School Staffing – The committee received an update on the status of two staffing issues at the high school. A proposal for a non-renewal of a non-tenured teacher will be placed on regular March School Board meeting agenda. The committee also reviewed the process of providing information to School Board members regarding new hires. A change will take place where School Board members interested in reviewing a new hires' credentials will need to schedule a visit with the human resources department in the District Office rather than those credentials being mailed to School Board members as has been the process recently.

Family Services Collaborative – The committee received an update regarding a recent Family Service Collaborative meeting relating to a funding shortfall that is likely to happen during the calendar 2022 Collaborative budget year. In order to create a balanced budget in light of inability to garner sufficient additional grant funding for the Collaborative, the three member school districts would each face a member contribution increase in the school fiscal year 2022 ending June 30, 2022 and Crow Wing County would need to shift funding forward from a three-year plan to a two year plan what would accelerate funding to the first year (calendar 2022). School fees for Crosby-Ironton would increase between \$17,342 and \$39,648 depending on which funding model were to be adopted – one based on student enrollment and the other on number of Collaborative Service workers working in each member school district. It was noted that this is very late notice in the school district fiscal year to be faced with an unexpected membership fee increase. This fee increase for fiscal year 2022 (ending June 30, 2022) could be addressed through use of one of the federal COVID funding streams, but this would be a short-term solution to a long-term problem of providing a financially sustainable model under which the Collaborative can function. For the 2022-2023 school year, the Crosby-Ironton School District will ask the Collaborative to consider the following:

- The current shortfall will be covered by ARP or ESSER COVID funding
- The next budget (calendar 2023 for the Collaborative) must be created based on no assumption of grant funding or donations until such funding has been received. This will help alleviate the current predicament by creating a more reliable budget.
- The School District will seek out information about the cost per Collaborative work for 2022-2023 so that it can review other options for providing one or more Collaborative worker positions.
- The grant writer/director for the Collaborative will be proposed to be notified that their position will be discontinued within 30 days and this notice be given immediately. This will save some cost and help alleviate some of the potential increased budget for the school districts and the County.

The committee members supported this approach as everyone works to seek a viable and reliable long-term financial solution or acknowledgement that such a long-term solution does not exist and the Collaborative would be dissolved.

Other Items- Community Daycare Options – The committee received an update regarding the committee working on community daycare options, especially relating to the status following the grant not being awarded to the School District which would have financially aided in the remodeling of the Junior High Band Room into daycare facilities. The community committee remains active and is working on exploring other facilities in the community that might serve as a location for daycare centers; the need for a business plan to make sure that daycare operation can be viable if facilities are modified to become daycare license compliant, establishment of an escrow or cost overrun account to ensure that the School District is not

holding financial liability should the School District be asked to make modifications to its' own facilities to accommodate a daycare center. Committee members supported the approach outlined in these criteria, noting that there was no interest by the School District to lay down roadblocks to the process, but to help ensure that all questions were answered and precautions were identified and decisions were made based on a prudent set of facts.

The meeting adjourned at 5:55 p.m.

Respectfully prepared and submitted by William Tollefson