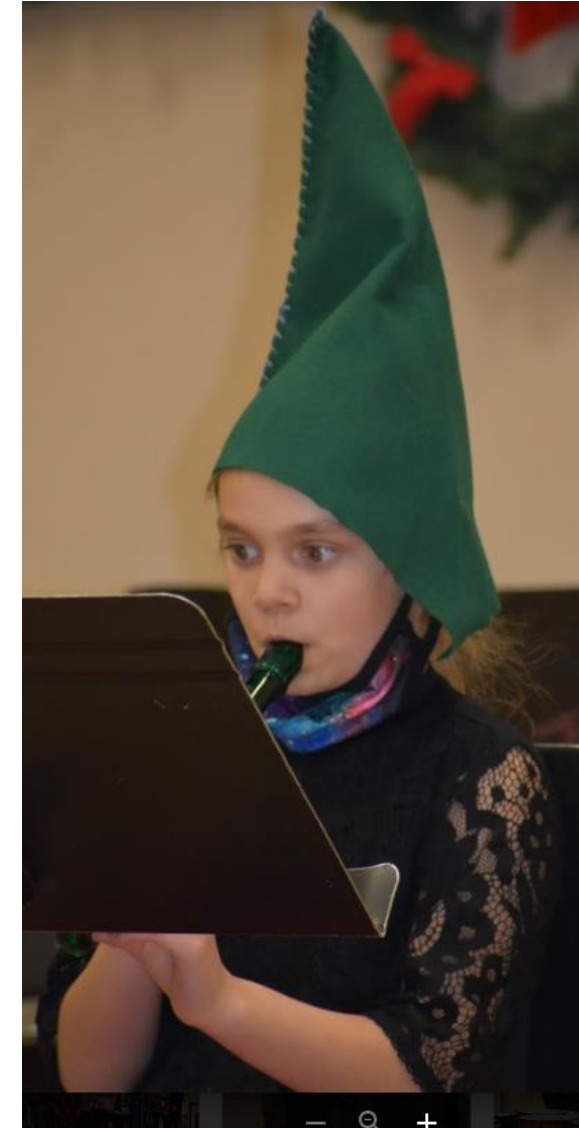


Greenbush Middle River Public School District

School Board Meeting: January 20, 2021
Agenda item 21.5



**Supt. presentation on
March 4, 2021
Work Session Meeting**



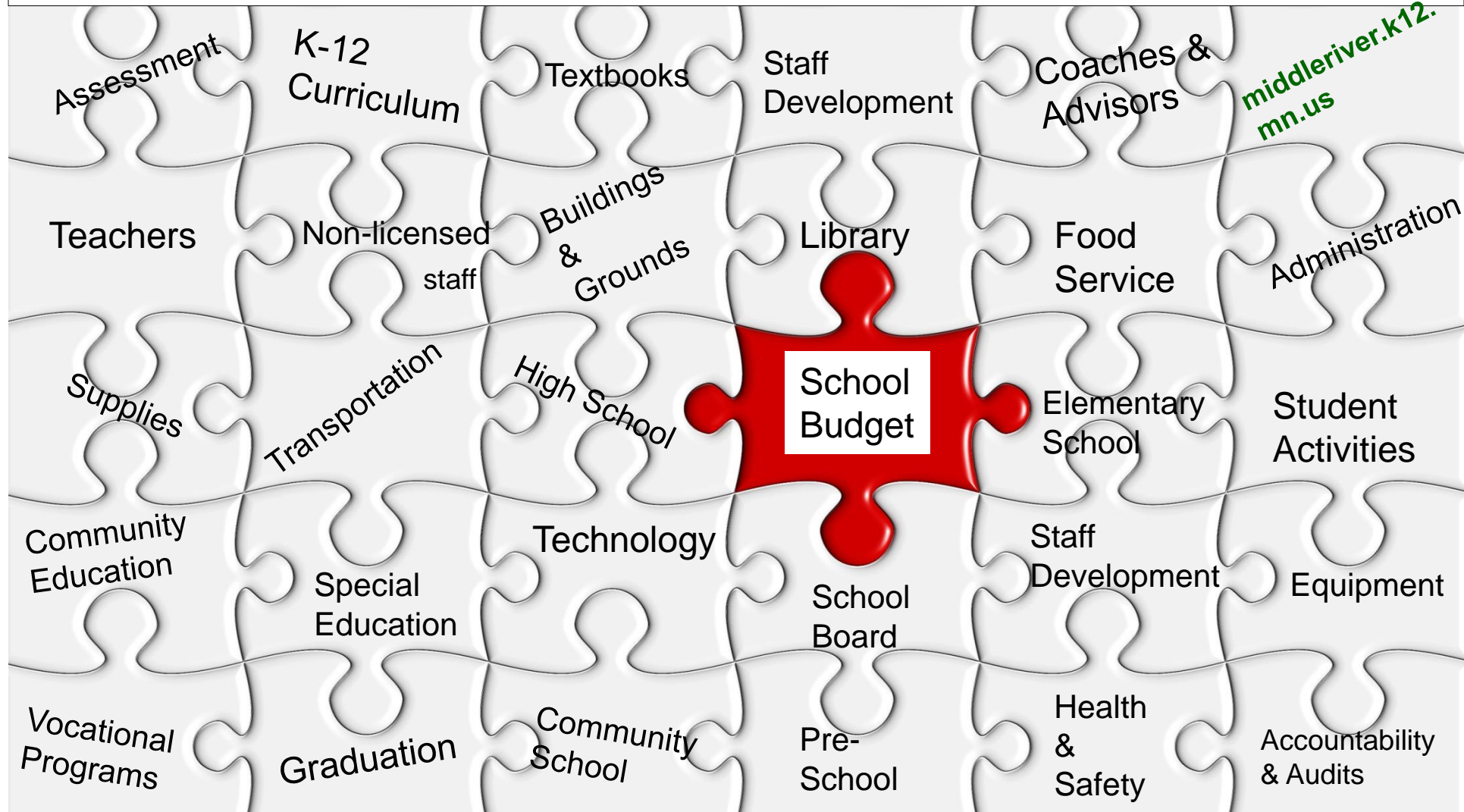
**Supt. presentation on
March 15, 2021
Work Session Meeting**



**Supt. presentation on
March 29, 2021
Special Meeting**



School Budgeting



middleriver.k12.mn.us



2020-2021 *estimated* School Budget

GREENBUSH MIDDLE RIVER SCHOOL DISTRICT NO. 2683

2020 - 2021 BUDGET

REVENUE

FUND 01 - General	\$4,222,396
FUND 02 - Food Service	182,080
FUND 04 - Community Ed	63,656
FUND 07 - Debt Service	65,747
FUND 08 - Scholarships	1,300
FUND 21 - Student Activity	154,850
TOTAL REVENUE ALL FUNDS	\$4,690,029

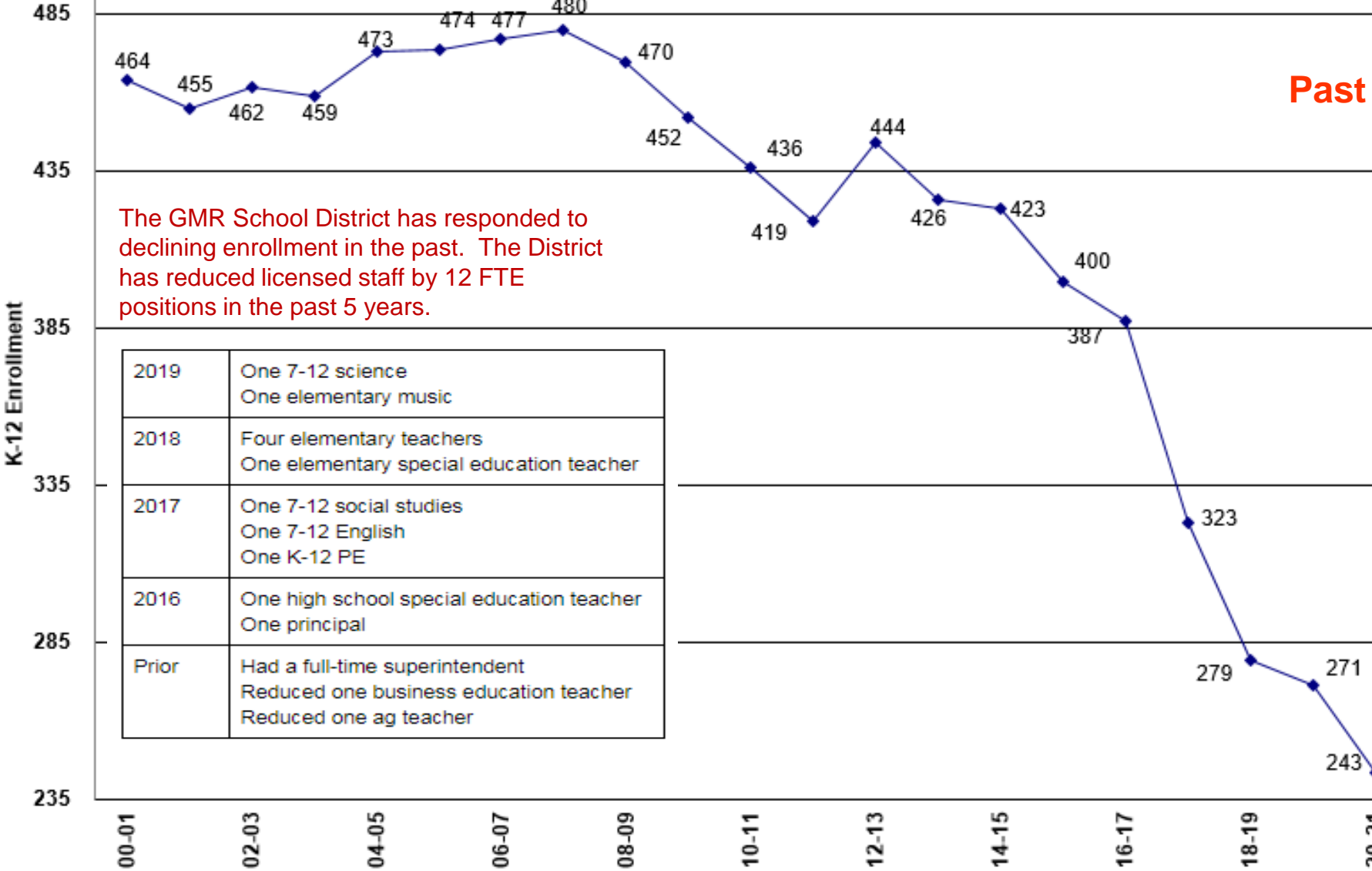
EXPENDITURE

FUND 01 - General	\$4,815,506
FUND 02 - Food Service	170,659
FUND 04 - Community Ed	30,810
FUND 07 - Debt Service	62,375
FUND 08 - Scholarships	1,300
FUND 21 - Student Activity	154,750
TOTAL EXPENDITURE ALL FUNDS	\$5,235,400

DIFFERENCE (\$545,371)

Based on 245 enrollment
7/20/2020 School Board Meeting

FALL ENROLLMENT BY SCHOOL YEAR K-12



The GMR School District has responded to declining enrollment in the past. The District has reduced licensed staff by 12 FTE positions in the past 5 years.

2019	One 7-12 science One elementary music
2018	Four elementary teachers One elementary special education teacher
2017	One 7-12 social studies One 7-12 English One K-12 PE
2016	One high school special education teacher One principal
Prior	Had a full-time superintendent Reduced one business education teacher Reduced one ag teacher

ACTUAL STUDENT ENROLLMENTS VS. PROJECTED FUTURE STUDENT ENROLLMENTS														
* Determined by using Grade Progression Method														
School Year	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26				
	< ----- Actual Fall Census ----- >					< ----- Projected Future Enrollments ----- >								
Age is < 1	19	25	14	26	16	--	--	--	--	--				
Age 1	21	22	13	16	27	15	--	--	--	--				
Age 2	22	23	23	22	15	36	20	--	--	--				
Age 3	33	25	21	22	22	15	36	20	--	--				
Age 4	30	32	20	23	21	21	14	34	20	--				
Age Birth to 4	125	127	91	109	101	87	70	55	20					
Grade K	23	21	17	21	19	17	17	11	27	15				
Grade 1	25	21	14	17	20	20	17	18	12	28				
Grade 2	32	22	12	15	17	16	15	14	14	10				
Grade 3	23	25	19	13	16	16	14	14	13	13				
Grade 4	26	15	19	18	13	13	13	12	11	10				
Grade 5	19	22	16	21	16	13	13	13	12	12				
Grade 6	35	16	20	16	20	15	12	12	12	11				
	< ----- Elementary Grade Summary ----- >					< ----- Elementary Grade Summary ----- >								
Grade K	23	21	17	21	19	17	17	11	27	15				
Grade 1 to 6	160	121	100	100	102	92	85	82	74	83				
Grade K to 6	183	142	117	121	121	109	102	93	101	98				
	< ----- Secondary Grade Summary ----- >					< ----- Secondary Grade Summary ----- >								
Grade 7	33	21	17	21	17	18	14	11	11	11				
Grade 8	37	26	22	15	21	15	17	12	10	10				
Grade 9	36	31	24	25	14	21	15	16	12	10				
Grade 10	38	36	30	24	21	14	20	15	16	12				
Grade 11	32	36	32	32	20	21	14	20	15	16				
Grade 12	28	31	37	33	29	20	21	14	20	15				
Grade 7-12	204	181	162	150	122	109	100	88	84	73				
	< ----- K - 12 Summary ----- >					< ----- K - 12 Summary ----- >								
Grades K - 6	183	142	117	121	121	109	102	93	101	98				
Grades 7 -12	204	181	162	150	122	109	100	88	84	73				
Grade K - 12	387	323	279	271	243	218	202	182	185	172				





Suggested resolution: Member _____ introduced the following resolution and moved its adoption:

RESOLUTION DIRECTING THE ADMINISTRATION TO MAKE RECOMMENDATIONS FOR REDUCTIONS IN PROGRAMS AND POSITIONS AND REASONS THEREFOR.

School Board Meeting: January 20, 2021
Agenda item 21.5

WHEREAS, there has been a reduction in student enrollment, and,

WHEREAS, this decrease in student enrollment must include discontinuance of positions and discontinuance or

WHEREAS, a determination must be made as to which teachers' contracts must be terminated and not renewed and which teachers may be placed on unrequested leave of absence without pay or fringe benefits in effecting discontinuance of positions,

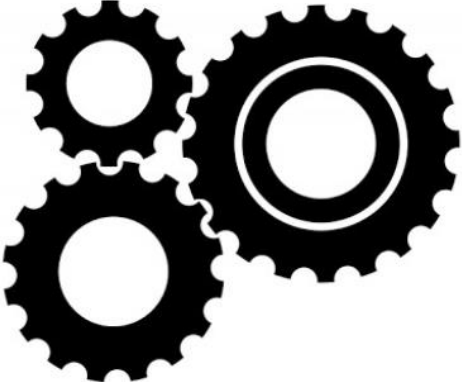
BE IT RESOLVED, by the School Board of Independent School District No. 2683, as follows:

That the School Board hereby directs the Superintendent of Schools and administration to consider the discontinuance of programs or positions as a result of a reduction in enrollment, make recommendations to the school board for the discontinuance of programs, curtailment of programs, discontinuance of positions or curtailment of positions.

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

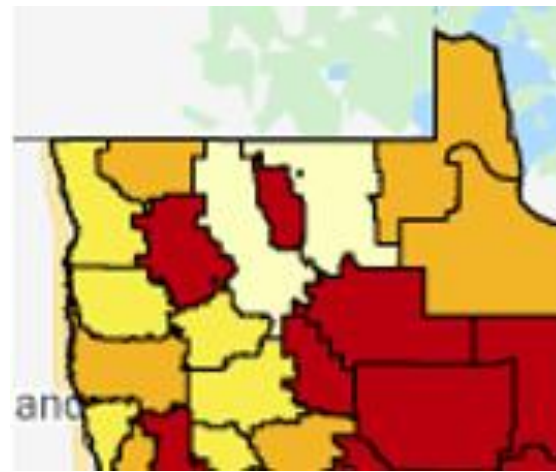
and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

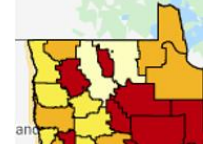




Survey of NW MN
School Districts



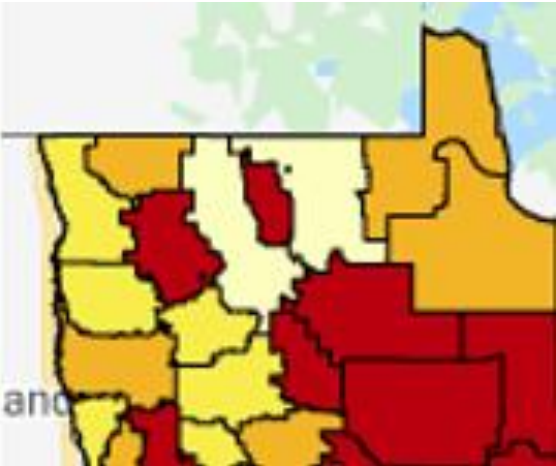
<i>Survey completed the week of December 14, 2020 by GMR Supt. of School</i>	Badger	Goodridge	Grygla	Lancaster	Kittson Central	Stephen-Argyle	Tri-County	Marshall County Central	Greenbush Middle River
# of K - 6 students	101	135	72	115	129	152	116	224	121
Ave # of students per grade (K-6)	14.43	19.29	10.29	16.43	18.43	21.71	16.57	32.00	17.29
# of FTE K-6 Regular Ed. Teachers	9.3	7	7.6	8	11	12	8.5	16	7.7
# of 7 - 12 students	117	95	74	77	89	141	79	204	122
Ave # of students per grade (7-12)	19.5	15.83	12.33	12.83	14.83	23.50	13.17	34.00	20.33
# of FTE 7-12 Regular Ed. Teachers	9.3	9	7.9	8	12	11	10.5	17	15.7
# of FTE Spec. Ed. Teachers	2	3	1	1.5	2	2	2.5	5	3
K-12 Enrollment	218	230	146	192	218	293	195	428	243
Special Education Cooperative	NW RIC	NW RIC	NW RIC	NW RIC	NW RIC	ASEC	NW RIC	NW RIC	NW RIC



Administrative Structure of NW MN School Districts

Survey completed the week of December 14, 2020 by GMR Supt. of School	Badger	Goodridge	Grygla	Lancaster	Kittson Central	Stephen-Argyle	Tri-County	Marshall County Central	Greenbush Middle River
K-12 Enrollment	218	230	146	192	218	293	195	428	243
Special Education Cooperative	NW RIC	NW RIC	NW RIC	NW RIC	NW RIC	ASEC	NW RIC	NW RIC	NW RIC
Superintendent Position	Full Time (12 months) Supt. + K-12 Principal	Full Time (12 months) Supt. + Activities	Full Time (12 months) Supt. + Activities	Full Time (12 months) Supt. + K-12 Principal	Full Time (12 months) Supt. + Math Teacher	Full Time (12 months) Supt. + Elem. Principal	Full Time (12 months) Supt. + K-12 Principal	Full Time (12 months) Supt. + K-6 Principal	Part time 145 days= .55 FTE Interim Supt. Position
Principal Position	Supt. / K-12 Principal	K-12 Principal (11 or 12 months) Title programs	K-12 Principal (10 months)	Supt. / K-12 Principal	K-12 Principal + Activities Director (10 months)	K-12 Principal + Activities Director (220)	Supt. + K-12 Principal	K-12 Principal + Activities Director	K-12 Principal + Activities Director (200)
Assistant Principal Position	Does Not Apply	Does Not Apply	Does Not Apply	Does Not App	Does Not Apply	Does Not Apply	Apply	Apply	Does Not Apply
Dean of Students Position	K-12 (10 months or less) 200 days Activities Director D.A.C.	Does Not Apply	Does Not Apply	.50 FTE	Does Not Apply	Elementary Dean (10 months) 3 hours per day	.50 FTE K-12 (10 months or less) + Title Programs Spec Ed.	Elementary Dean	Does Not Apply
Activities Director				Contracted with "outside" person			.33 FTE + Teaching		
Total School Admin. (excludes Com. Ed.)	2	2	2	1.7	2	2.5	1.87	3	1.55
Community Education Director	Supt. & Dean	Supt.	Supt.	Supt.	Supt. with Office Support	Supt. & Principal	Supt.	Supt.	Supt.
Transportation Director	1								1
Member of Region 1	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes





Office Support District Office	1 Business Manager = 12 months	1 Business Manager = 12 months	#1) .75 FTE Business Manager = 12 months	1 Business Manager = 12 months Secretary / Bookkeeper	3 #1) Business Manager = 12 months #2) School Secretary = (9 months) #3) Billing & Transport =[12 months]	2 #1) Bookkeeper #2) .80 FTE (Payroll)	3 #1) Business Manager = 12 months #2) Payroll / HR = 12 Assistant = 9.5	Secretary/Bookkeepers	2 #1) Business Manager = 12 months #2) Admin. Assistant = 10
High School Office	Assistant = 10.5 months	Assistant = 11 months	#2) = 9 months	0	0	1	0	1 = 10 months	Assistant = 10 months
Elementary Office	0	0	0	0	0	.7 FTE (10 months)	0	2 = 10 months (two building sites)	#1 Admin. Assistant = 10
Total Office Support	~1.75 FTE	~1.80 FTE	~1.75 FTE	1	~2.70	~2.50	~2.70	5	~3.40
<i>Survey completed the week of December 14, 2020 by GMR Supt. of School</i>	Badger	Goodridge	Grygla	Lancaster	Kittson Central	Stephen-Argyle	Tri-County	Marshall County Central	Greenbush Middle River

Reduce expenditures

- Seek to improve program efficiency in the areas of buildings & grounds, transportation, etc.
- **Resolution directing the Administration to make recommendation for reduction in programs and position and reasons therefor.**

GREENBUSH MIDDLE RIVER SCHOOL DISTRICT			
DEFICIT REDUCTION SUGGESTIONS			
<p>Directions: The Board of Education and the School Administration is soliciting suggestions for making expenditure reductions. Although the primary responsibility for the school budget rests with the Board and the Administration, soliciting suggestions from residents and employees will ensure that all reasonable deficit reduction measures have been considered.</p> <p>When making a deficit reduction suggestion, please phrase your suggestion in terms of a single action. Do not make a broad generalization about the school program. These kinds of statements are difficult to convert into specific cost cutting measures. For example, if you believe that too much money is spent on student athletics, state which sport(s) the school district should delete rather than making a general statement. Another example, if you believe the school district has many frills, identify each item that you consider a frill.</p> <p>Deadline: Please return this form to the district office, principals' office, or your immediate supervisor ASAP but no later than ____</p>			
1.	<hr/> <hr/> <hr/>		
2.	<hr/> <hr/> <hr/>		
<p>Note: Use the back of this form for the identification of more deficit reduction suggestions.</p> <p>Identifying Respondent by Classification (optional): Some respondents may have more first-hand information regarding the possibility of reducing expenses for specific programs. For example, a bus driver may have more relevant information regarding the reduction of expenses for student transportation than a food service employee. Therefore, please identify yourself by placing a check next to the most appropriate group:</p>			
<input type="checkbox"/> Pupil Transportation Employee	<input type="checkbox"/> Buildings & Grounds Employee	<input type="checkbox"/> Food Service Employee	<input type="checkbox"/> Instructional Aides
<input type="checkbox"/> Office Employee	<input type="checkbox"/> Secondary Teacher	<input type="checkbox"/> Elementary Teacher	<input type="checkbox"/> Special Education Teacher
<input type="checkbox"/> Parent	<input type="checkbox"/> Student	<input type="checkbox"/> Resident of School District	

2019-2020

5/11/2020 Work Session meeting: Input Suggestions for Proposed Reductions to 2020-2021 Budget.

Item	Board Remarks 05/11/2020	General Summary of Budget Reductions & Comments	Program Area Affected	Estimated Increase for Receipts	Estimated Decrease for Expenditures
11		Dues reduction for MREA membership (15% reduction)	Annual Memberships		
12		Cut English Teacher. Due to shifting student enrollment	Instructional: High School		
13		Cut Spanish Teacher. Spanish is not the foreign language to be taught by Chinese. Find school who can deliver virtual Chinese instruction.	Instructional: High School		
14		Do not replace Special Education Teacher. Move one from High School or Elementary Regular Ed. to Elementary Special Ed. Lack of enrollment should justify this move.	Special Education		
15		Offer an attractive buyout plan for teachers	Instructional		
16		For any teacher leaving, try to shuffle present staff to fill the vacancy.	Instructional		
17		Reduce classroom supplies	Instructional		
18		Reduce supplies in other program areas (eg: Food Service, Buildings & Grounds)	Support Programs		
19		Cut The Chomper. Move Chomper articles to GMR Online and student write articles for their English Class assignments.	Student Activity		
20		Adjust (reduce) hours of kitchen dishwasher	Food Service		
Brd.	BA Yes	Board Agreement to implement as a Budget Reduction item			Page 2 of 4.... EXHIBIT 5.1
Remarks	BD No	Board Disagreement NOT to implement as a Budget Reduction item	Defer	Deferred for additional information or consideration	

5/11/2020 Work Session meeting: Input Suggestions for Proposed Reductions to 2020-2021 Budget.

21		In terms of students enrollment, GMR is moving toward one (1) section school Why do we have 3 social studies teachers, 2 science teachers and 2 English teachers?	Instructional			
22		Move 6th grade to high school	Instructional			
23		Only One (1) office secretary in each office.	Administration			
24		Eliminate foreign language classes. Cutting a position. Many other surrounding schools our size to not offer foreign language.	Instructional			
25		Have 7-12 subject teachers share duties of Careers & College, Librarian/ Media specialist and computers eliminating multiple positions.	Instructional & Student support			
26		Cut teacher(s) with large salaries	Instructional			
27		Teachers need to teach more classes and less preparation / study halls	Instructional			
28		Cut Staff	Instructional			
29		Do a comparison of student to teacher ratios in NW MN and then cut staff	Instructional			
30		Cut Para Staff	Student support			
Page 2			Total page #2 (this page)		\$0	\$0
Brd.	BA Yes	Board Agreement to implement as a Budget Reduction item		<i>Page 3 of 4.... EXHIBIT 5.1</i>		
Remarks	BD No	Board Disagreement NOT to implement as a Budget Reduction item	Defer	Deferred for additional information or consideration		

5/11/2020 Work Session meeting: Input Suggestions for Proposed Reductions to 2020-2021 Budget.

Item	Board Remarks 05/11/2020	General Summary of Budget Reductions & Comments	Program Area Affected	Estimated Increase for Receipts	Estimated Decrease for Expenditures	
31		Cut Social Worker position to one (1)	Counseling - Mental Health			
32		Is it time for the GMR school district to approach Badger or Karlstad to combine school districts?	Instructional			
33		Seek a increase in the existing school operating levy via referendum	Instructional			
34						
35						
36						
37						
38						
Brd.	BA Yes	Board Agreement to implement as a Budget Reduction item				Page 4 of 4.... EXHIBIT 5.1
Remarks	BD No	Board Disagreement NOT to implement as a Budget Reduction item	Defer	Deferred for additional information or consideration		

Athletic Coach Staffing history, participation and considerations

	14-15	Coaches	15-16	Coaches	16-17	Coaches	17-18	Coaches	18-19	Coaches	19-20	Coaches	20-21	Coaches
Football	56	5	65	5	52	5	48	5	52	4	44	5	44	5
Volleyball	59	5	55	5	54	5	52	5	46	5	40	5	40	5
GBB	50	5	46	5	49	4	48	5	31	5	34	5	34	5
BBB	51	5	41	5	35	5	30	4	25	4	20	3	20	3
Wrestling	38	4	40	4	29	4	26	4	25	4	19	4	19	4
Baseball	39	3	26**	2	41	3	33	3	31	3	--	3	--	2?
Softball	31	3	23**	3	30	3	26	3	22	3	--	3	--	3
Track & Field*	12	2	12	2	29	2	22	2	17	2	--	2	--	2?
Golf	15	3	15	3	20	3	23	3	16	3	--	3	--	2?
* GMR only														
** JH missing														



We are in a sports pairing with another district, so the Joint Sports Board will be consulted. Allocation of Split [currently 2/3 GMR and 1/3 Badger] ??

Number of participants

Enough coaches for safety supervision throughout practice and games

If squads play at the same time in different locations, they need enough coaches. For example:

GBB in Badger and Greenbush at the same time

JV and V wrestling tournaments going on at the same time. Could have multiple wrestlers needing coaches simultaneously.

Golf and Track & Field events take place during the school day. If there's only one coach for both V and JV, that individual would be away from work 2-4 times/week.

Some sports have had more coaches than those listed here, paid by Booster clubs.

We currently have enough participants for 5 squads of volleyball and girls' basketball. Some of our opponents do not.

Cheer Team is not included because the number of participants varies greatly from year to year, and there is only one coach.

Clay Target team is not included because BGMR does not pay for the coaches.

Line	Board Remarks 03/4/2021	General Summary of Budget Reductions & Comments	Program Area Affected	Estimated Increase for Receipts	Estimated Decrease for Expenditures	
1		Reduce Phy. Ed. Teacher (early Retirement incentive) re-assign staff to fill vacancy & or eliminate electives	K-12 Instructional		\$66,903	\$263,945
2		Reduce Math Teacher (early Retirement incentive) re-assign staff to fill vacancy & or eliminate electives	K-12 Instructional		\$72,393	
3		Reduce Science Teacher from 1.0 FTE to .50 FTE re-assign staff to fill vacancy & or eliminate electives	K-12 Instructional		\$42,424	
4		Reduce one (1) full time English Teacher re-assign staff to fill vacancy & or eliminate electives	K-12 Instructional		\$82,225	
5						
6		Reduce one (1) Office Secretary (offer affected person vacant Para Position in 2021-2022)	Office Support		\$30,963	
7						
8		Reduce one (1) regular Bus Route Position	Transportation		\$22,331	
9						
10		Reduce part time School Social Worker position (currently contracted with Badger)	Student Support		\$37,660	
11						
12		Reduce one (1) person to teacher relicensure committee (previous person was in line #1)	Teacher licensure		\$647	
13						
14		Increase cost of Driver Education (\$75.00 per person) to be in line with actual cost	Driver Education	\$1,350		
15		(implement incremental payment plan to pay-in-full)				
16						
17		Reduce Elementary Wrestling Coach #1 of 2 Compensation	Elementary Athletics		\$1,230	\$7,380
18		Reduce Elementary Wrestling Coach #2 of 2 Compensation	Elementary Athletics		\$1,230	
19		Reduce Elementary Girls BB Coach #1 of 2 Compensation	Elementary Athletics		\$1,230	
20		Reduce Elementary Girls BB Coach #2 of 2 Compensation	Elementary Athletics		\$1,230	
21		Reduce Elementary Boys BB Coach #1 of 2 Compensation	Elementary Athletics		\$1,230	
22		Reduce Elementary Boys BB Coach #2 of 2 Compensation	Elementary Athletics		\$1,230	
23						
24		Eliminate Summer Park & Recreation Payment and summer ball school bus availability to City of Greenbush	Summer Park & Rec.		\$2,000	\$4,000
25		Eliminate Summer Park & Recreation Payment and summer ball school bus availability to City of Middle River	Summer Park & Rec.		\$2,000	
26						
27		Reduce FCCLA Assistant Advisor	Extra Curricular		\$1,358	\$14,709
28		Based on student participation, Reduce one (1) Football coach	Extra Curricular		\$2,812	
29		Based on student participation, Reduce one (1) Girls Basketball coach	Extra Curricular		\$2,812	
30		Based on student participation, Reduce one (1) Wrestling coach	Extra Curricular		\$2,812	
31		Based on student participation, Reduce one (1) Baseball coach	Extra Curricular		\$2,812	
32		Based on student participation, Reduce one (1) Golf coach	Extra Curricular		\$2,103	
33						
34		Attempt to eliminate <u>Cash in Lieu Of</u> in GMR EA Agreement (replace with 403b for all teachers) *assumes those teachers receiving <u>Cash in Lieu Of</u> Not take School District H & H	Teacher Agreement		\$12,000	
35		Eliminate THE VILLAGE employee Assistance Program due to lack of utilization	Teacher Support		\$1,500	
36				\$1,350	\$395,135	\$396,485

★
Reviewed with / approved by
Joint Sports Board on 3/24/2021

/ /2021 : Adjustments to Current Year [2020-2021] Budget [to-be-determined]						
Item	Board Remarks	General Summary of Budget Reduction & Comments	Program Area Affected	Estimated Increase for Receipts/Transfers	Estimated Decrease for Expenditures	
1		ALLOWABLE Transfer of Fund Balance(s) as per MDE approval one-time COVID-19	Community Education		\$10,000	
2						
3		CARES Act (Federal) Funding estimated for COVID-19 Expenses (FIN 151) [ESSER]	<u>One-time Federal Funding</u>	\$41,954		
4		CARES Act (Federal) Funding estimated for COVID-19 Expenses (FIN 153) [GEERS]	<u>One-time Federal Funding</u>	\$2,388		
5		CARES Act (Federal) Funding estimated for COVID-19 Expenses (FIN 154) [CARES]	<u>One-time Federal Funding</u>	\$69,358		
6						
7		Round II of COVID RELIEF ACT (Signed by President Trump on Dec. 27, 2020)	<u>One-time Federal Funding</u>	\$176,000		
8						
9						
10		Reduction of 01 (General Fund) expenditures and replaced with Arlys Graff Trust Funds			\$19,266	
11						
12		Reduction of Dinner Theater Advisor - No 3- Act Play due to COVID-19	General Fund/Activities		\$1,714	
		Reduction of Fall Musical Advisor - Musical canceled due to COVID-19			\$1,714	
13		Reduction of Theater Assistant			\$1,147	
14						
15		Reduction of Concession Stand Advisor - No Concessions during COVID-19	General Fund/Activities		\$1,984	
16						
17						
18						
19		Page 2 FY 21 Adjustments	Total page #2 (this page)	\$289,700	\$35,825	

Coronavirus Aid, Relief and Economic Security (CARES) Act Funds

The acronyms for the CARES Act funds are as follows:

- Elementary and Secondary School Education Relief (ESSER),
- Governor’s Emergency Education Relief (GEER); and
- Coronavirus Relief Act (CRF).

NOTE: Federal **ONE TIME** funding

Caution to avoid encumbering school with one time funds

U.S. House budget panel approves \$1.9 trillion COVID-19 aid bill

A full House vote on passage expected later this week.

Written By: Susan Cornwell and David Morgan / Reuters | Feb 22, 2021 - 4pm.

Retrieved from the Grand Forks Herald on Feb. 23, 2021 @ 10:20 am

WASHINGTON, Feb 22 (Reuters) - The U.S. House of Representatives Budget Committee on Monday approved legislation with \$1.9 trillion in new coronavirus relief, advancing a top priority of President Joe Biden toward a full House vote on passage expected later this week.

The measure passed the panel on a largely party-line vote of 19-16, as the U.S. death toll from the coronavirus pandemic surpassed the grim benchmark of 500,000 victims. Millions more have been left jobless by the pandemic.

The sweeping legislation is intended to stimulate the U.S. economy and carry out Biden's proposals to provide additional money for COVID-19 vaccines and other medical equipment. "We must act swiftly to put an end to this pandemic and to stem the suffering felt by so many millions," House Speaker Nancy Pelosi said in a statement.

Senate Majority Leader Chuck Schumer said later that efforts in the House and Senate have kept the bill on track to be approved by both chambers and sent to Biden for his signature before federal unemployment benefits expire on March 14. Republicans oppose the measure as too costly and say its policies are geared more toward keeping the U.S. economy closed than moving ahead to accommodate business and economic needs and reopen schools.

"Further aid needs to be smartly targeted so government doesn't get in the way. But Democrats want to double-down on band-aid policies like they're planning for another year of stagnation instead of trying to set up success," Senate Minority Leader Mitch McConnell said on the Senate floor.

Biden and his fellow Democrats want to pass the plan quickly to speed a new round of direct payments to U.S. households as well as extend federal unemployment benefits and assist state and local governments.

Democrats are using a procedural strategy called reconciliation to advance the bill, which will allow them to pass it in the Senate without Republican support.

"We are in a race against time. Aggressive, bold action is needed before our nation is more deeply and permanently scarred by the human and economic costs of inaction," Representative John Yarmuth, chairman of the Budget Committee, said before the vote.

Budget Committee Republicans pushed back on the price tag, which follows \$4 trillion in COVID-19 aid last year.

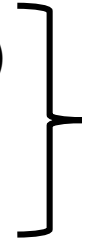
Signed by President Biden on March 11, 2021

"An estimated \$1 trillion of those funds is actually yet to be spent," Representative Buddy Carter told the committee. "Why do we need to spend an additional \$2 trillion of money that is being taken from future generations?"

For 2021-2022 (FY 22)

- Implementation of Board-Approved reductions
- Teacher Negotiations (Year #1 of 2 Year Agreement)
- All other employee Agreements (Year #2 of 2 Year Agreement)
- Suggest Additional budget reduction effort in 2021-2022 for 2022-2023
- Legislation – State
- Legislation – Federal

MN Legislature: 2% & 2% (Year #1 2% Year #2 2%)
or
Governor Walz initial proposal: 1% and 2.5%



To be determined
Legislature is set to adjourn
in mid-May 2021



Legislative (MN & Federal) Update

As of February 15, 2021

“Last week had excellent budget news—the budget continues to improve. Minnesota’s monthly receipts for January were \$296 million above projections. Additional adjustments will take place when the February forecast is released on the 26th . The forecast will project revenue for closing out the current biennium (FY22 and FY23) and will include projections for the FY24 and FY25 (2021-22 and 2022-23). This represents a significant improvement from the projections from last fall. In general, there is every reason to be more optimistic about future budgets.

It also appears that significant help is on the way from the Biden administration. Now that we are done with impeachment II, Federal attention is directed toward a proposed \$1.9 trillion aid package. If passed, it will be a significant amount of funding.” [may be referred to as *Round III*] [one-time funding]

Friday's (February 28, 2021) forecast showed again that the economic impact of COVID-19 continues to confound the people charged with making predictions. A once-projected \$1.27 billion shortfall for the two-year budget period that starts July 1 is now a \$1.6 billion surplus, while a surplus for the current budget period — which still has four months to run — grew from just under \$400 million to \$940 million.

Higher than expected revenue is only part of the equation. Two significant spending areas have seen reductions as well: payments to school districts because of declining enrollment; and reduced use of health care coupled with an increased share of those costs covered by the federal government.

Source: MN POST article by Peter Callaghan Feb. 26, 2021

About those looming state budget deficits? Never mind.



Minnesota Management and Budget officials released the [February 2021 Budget and Economic Forecast](#) Friday, and the upshot is that a higher revenue forecast, lower state spending and an increased surplus for the current fiscal year have conspired to produce a positive balance.

The U.S. economic outlook has improved considerably since autumn and an infusion of federal money into the state has softened the budget blow from the pandemic. Hence, an anticipated \$1.27 billion shortfall in the Minnesota budget for the 2022-23 biennium has morphed into a \$1.6 billion projected surplus for the two-year spending cycle. That said, the budget report emphasized that unemployment continues to disproportionately impact lower-wage workers.

Lawmakers will use the forecast to make budgeting and policy decisions during the current legislative session, which must end by May 17. The forecast will likely lead to revisions in the [\\$52.4 billion budget](#) proposal that Gov. Tim Walz released in January, and shape the budget targets legislative leaders will announce in the coming weeks. Those will dictate the appropriations laid out in legislation this session.

Source: "Latest budget forecast puts state back in the black" by Rob Hubbard. Minnesota Session Daily February 26, 2021

March 2, 2021

Rep. Jim Davnie
443 State Office Building
St. Paul, MN 55155

Sen. Roger Chamberlain
3225 Minnesota Senate Building
St. Paul, MN 55155

Dear Rep. Davnie and Sen. Chamberlain,

We are writing to urge you to pass legislation addressing key COVID-19 recovery issues prior to the legislature's spring recess which begins on March 26. As you know, the COVID-19 pandemic has caused significant disruptions for students, parents, teachers, school district administrators and board members.

School officials are working to develop summer learning opportunities to address the disrupted and lost learning opportunities many students have experienced. In addition, school districts are dealing with the significant impact of the pandemic related enrollment decline as they work to develop budgets for the summer and the 2021-22 school year. While many students and parents are thrilled to be returning to in person learning, some have expressed safety concerns and are asking if distance learning will continue to be an option next year.

To help school boards, administrators, teachers and families meet the challenges of the pandemic and properly plan for the summer and the 2021-22 school year, we respectfully ask that you pass legislation addressing at least the following issues prior to leaving for the spring recess on March 26:

- Mitigate the impact of the enrollment decline related to the COVID-19 pandemic;
- Provide funding for summer programming opportunities to address unfinished learning as well as support to meet the mental health needs of students; and

- Extend authority for school districts to offer distance learning through the 2021-22 school year to students and families who desire that option.
- Streamline the process to obtain a short-call substitute teaching license to align with the Tier 1 licensing requirement to teach a class in a career and technical education or career pathways course of study.

Thank you for your consideration and we stand ready to assist you in any way we can over the next three weeks to pass legislation that meets the needs of our students and our communities.

Sincerely,

Association of Metropolitan School Districts
MN Association of School Administrators
MN Association of School Business Officials
MN Association of Secondary School Principals
MN Elementary School Principals Association
MN Rural Education Association
MN School Boards Association
Schools for Equity in Education

CC: Governor Tim Walz
Speaker Melissa Hortman
Majority Leader Paul Gazelka
Minority Leader Susan Kent
Minority Leader Kurt Daudt
Commissioner Mary Cathryn Ricker

For 2021-2022 (FY 22)

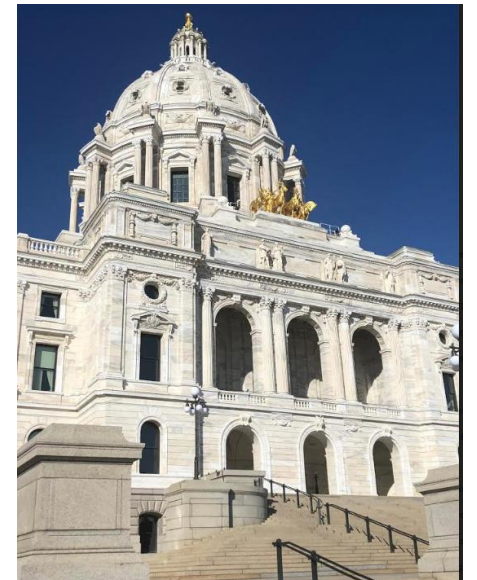
Increase (*enhance*) revenues

- **Local Operating Referendum**

A local school tax called a “referendum” or “operating” levy or “excess” levy. Under MN law, school districts can ask voters to approve an operating levy to provide additional funding for operating local schools. If voters agree, the money comes from local property taxes.

The Legislature and Governor decide the maximum amount that districts can raise in this way.

- 2021 (current legislative session) Bill has been introduced providing Board Authority to Renew Referenda: House File (HF) 292. *to-be-determined*
- Anything above referendum renewal amount would require an election
- CURRENT LAW: Board approve special election at least seventy-four (74) days prior to election date (no later than August 20, 2021).



For 2021-2022 (FY 22)

REFERENDUM AUTHORITY 2019 - 2030
after 2019 November Elections

2683

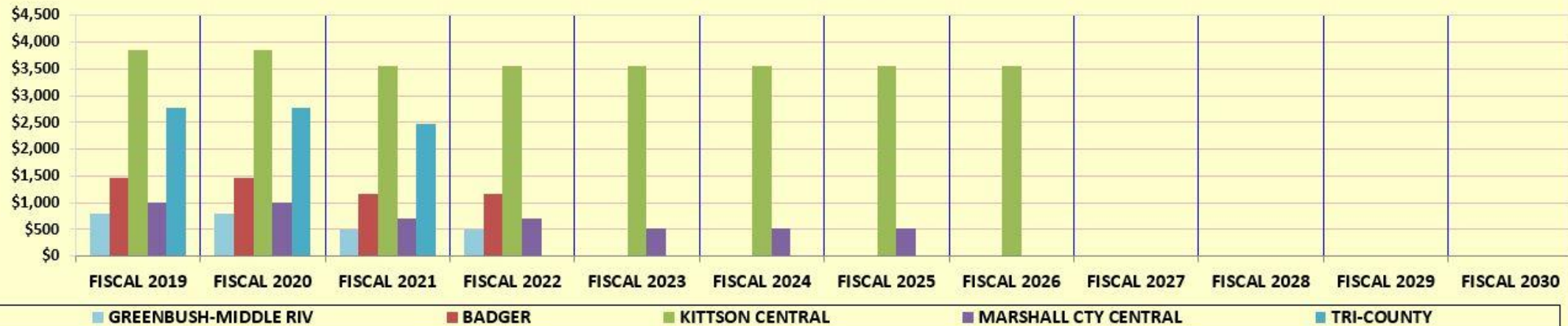
GREENBUSH-MIDDLE RIV

FORECAST5
ANALYTICS
Formerly SchoolFinances.com

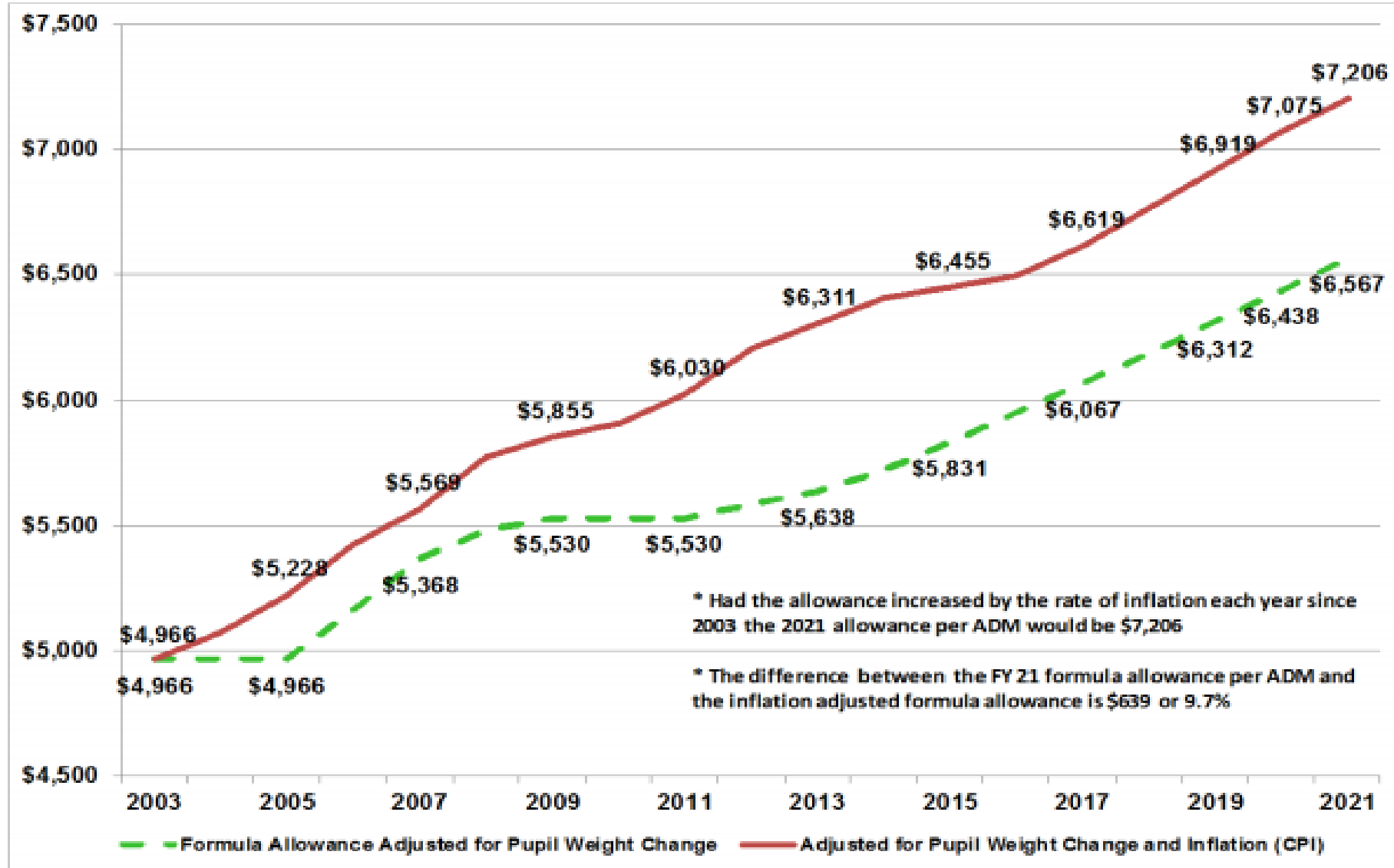
Total Referendum Authority After FY 2021 LOR Conversion from Ref Phaseout Report

(1) Major Dist. (9) Comparison Districts	District Names	Number of Ref. Elections since 1991	FISCAL 2019	FISCAL 2020	FISCAL 2021	FISCAL 2022	FISCAL 2023	FISCAL 2024	FISCAL 2025	FISCAL 2026	FISCAL 2027	FISCAL 2028	FISCAL 2029	FISCA L 2030	
2683	GREENBUSH-MIDDLE RIV	(2)	\$806.05	\$806.05	\$506.05	\$506.05									Graphed
676	BADGER	(5)	\$1,470.29	\$1,470.29	\$1,170.29	\$1,170.29									Graphed
2171	KITTSOON CENTRAL	(14)	\$3,846.00	\$3,846.00	\$3,546.00	\$3,546.00	\$3,546.00	\$3,546.00	\$3,546.00	\$3,546.00					Graphed
441	MARSHALL CTY CENTRAL	(6)	\$1,006.72	\$1,006.72	\$706.72	\$706.72	\$529.83	\$529.83	\$529.83						Graphed
2358	TRI-COUNTY	(14)	\$2,776.00	\$2,776.00	\$2,476.00										
356	LANCASTER	(5)	\$3,738.42	\$3,833.67	\$3,604.82	\$2,778.13	\$2,838.51	\$2,900.79	\$2,965.26	\$2,042.98	\$2,088.10				
2856	STEPHEN-ARGYLE	(14)	\$1,371.00	\$1,371.00	\$1,071.00	\$1,071.00									
447	GRYGLA	(2)	\$511.93	\$511.93	\$211.93	\$211.93									
390	LAKE OF THE WOOD	(4)	\$324.24	\$324.24	\$24.24	\$24.24	\$24.24	\$24.24	\$24.24	\$24.24	\$24.24	\$24.24	\$24.24		
561	GOODRIDGE	(6)	\$1,927.43	\$1,927.43	\$1,627.43	\$1,627.43	\$1,627.43	\$1,627.43	\$1,627.43						
Average of Districts Selected			\$1,777.81	\$1,787.33	\$1,494.45	\$1,293.53	\$1,713.20	\$1,725.66	\$1,738.55	\$1,871.07	\$1,056.17	\$24.24			

Referendum Authority 2019 - 2030



General Education Formula Allowance, 2003-2021 Adjusted for Pupil Weight Change and Inflation (CPI)



Source: MDE August 2019 Inflation Estimates



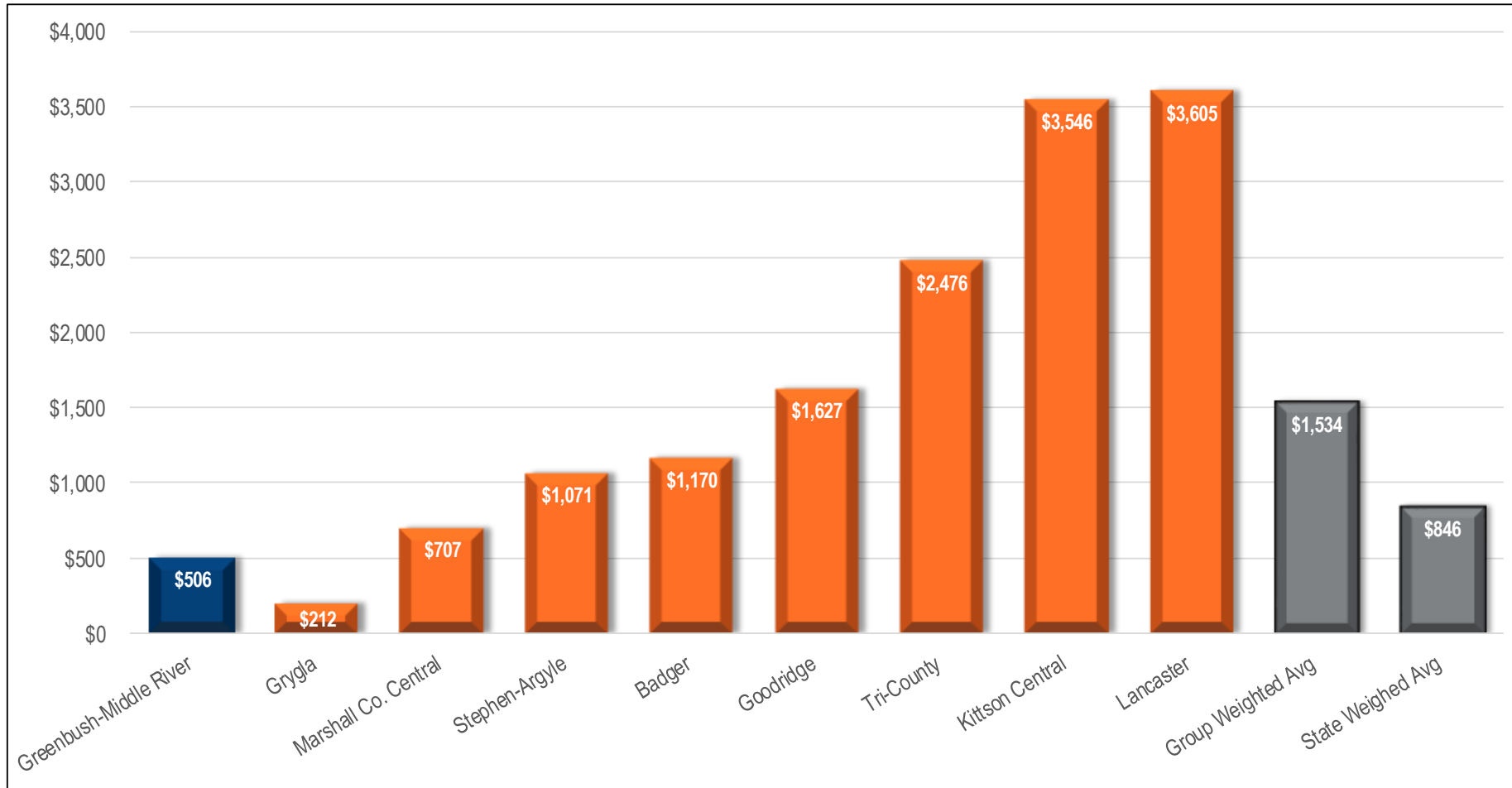
Per pupil allowance for Fiscal Year 2019-2020 would need to increase by another \$639 (9.7%) to have kept pace with inflation since 2002-2003. \$568 million annually (source: MREA)

Comparison of Voter-Approved Referendum Authority to Peer Districts in NW MN

Greenbush-Middle River School District

Voter Approved Referendum Authority Per Pupil Unit FY 20-21 (Excludes Local Optional Revenue)

Group Average	\$	1,534.01
Greenbush-Middle River	\$	506.05
Variance	\$	(1,027.96)



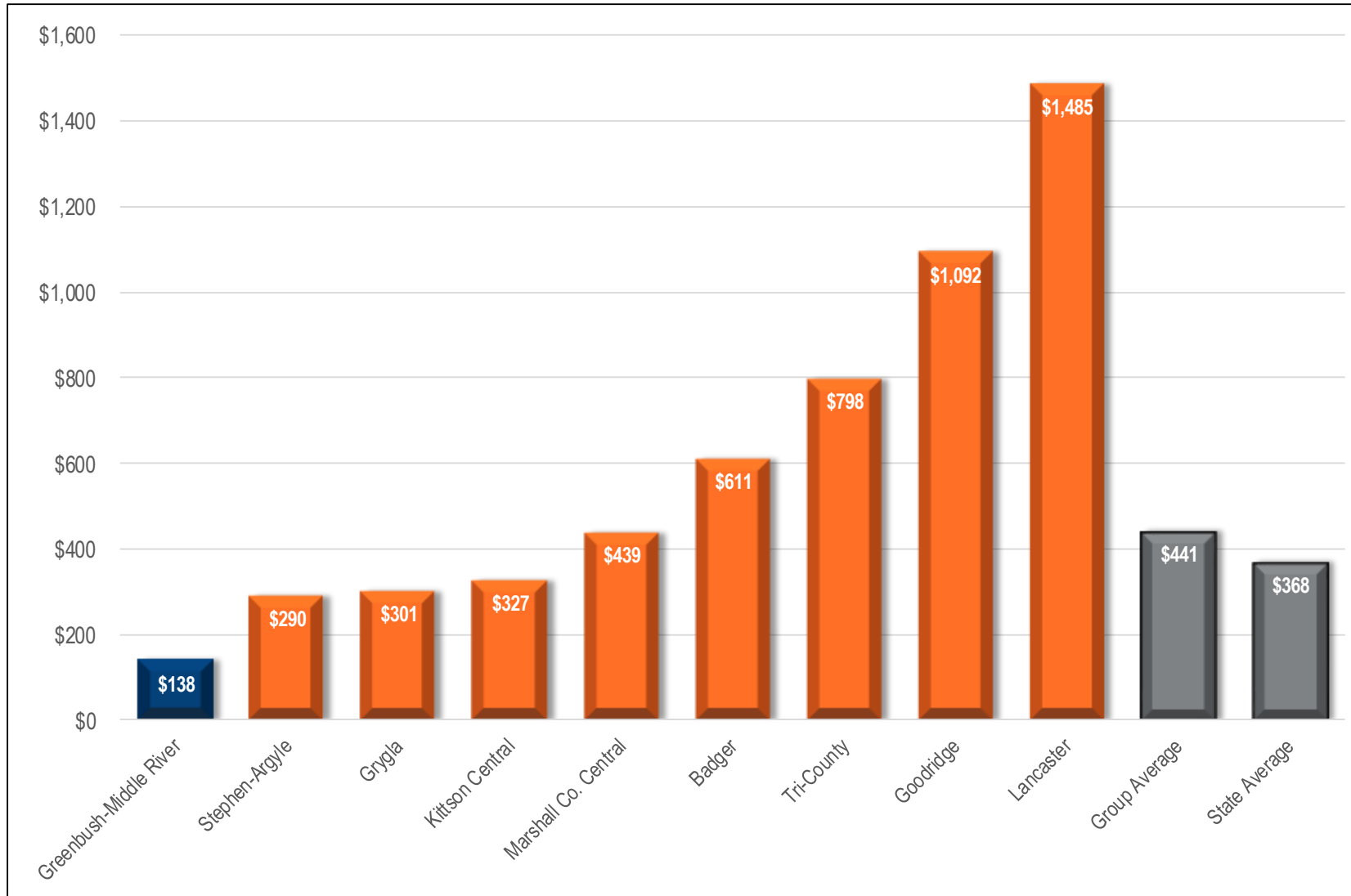
Source: MDE Operating Referendum Phaseout January 2020

Board decision on school tax tolerance for a successful vote

Comparison of Total School Taxes to Peer Districts in NW MN

Greenbush-Middle River School District

Total School Property Taxes, Payable 2020, on a Home with an Estimated Market Value of \$100,000



Source: Pay 20 School Tax Report

Board decision on school tax tolerance for a successful vote

For Immediate Release:

Minnesota School Districts Face Shortfalls, Budget Cuts, Due to COVID-19 Pandemic

Contact:

Dan Pyan, Minnesota Association of School Business Officials (MASBO)

Mobile: (507) 269-7245

Email: dpyan0@sowashco.k12.mn.us

MARCH 1, 2021

MINNEAPOLIS — School districts across Minnesota are pleased to see the February Forecast includes a \$1.6 billion surplus. Part of this surplus is due to the pandemic-related student enrollment decline districts have experienced. The surplus news should help state policy makers appropriately fund districts. Districts are budgeting now for next year and have been planning for budget cuts, reductions in staff and student programming, and increased class sizes if the state doesn't increase education funding this legislative session, according to a new joint survey from several public education associations.

The survey, which was sent to 333 school districts statewide, was conducted by the Minnesota Association of School Business Officials (MASBO), with support from the Minnesota School Boards Association (MSBA), the Association of Metropolitan School Districts (AMSD), the Minnesota Association of School Administrators (MASA), the Minnesota Rural Education Association (MREA) and Schools for Equity in Education (SEE).

Of the 144 school districts that responded to the survey, 92 percent projected that with no formula increase, their general fund expenditures would exceed projected revenues for the 2021-22 school year — with several individual district deficits ranging into the millions.

The state's largest school district, Anoka-Hennepin Schools, is projecting a deficit of more than \$14 million, while rural districts, such as Thief River Falls and Princeton, are each projecting shortfalls of more than \$2 million. The Robbinsdale Area Schools District would experience a shortfall of \$4.4 million. And the regional school districts, such as St. Cloud, Bemidji and Mankato are projecting a shortfall of nearly \$3, \$5 and \$7 million respectively if legislation increasing the education formula is not passed by the Legislature and signed into law this year.

The majority of districts responding to the survey are budgeting now for the 2021-22 school year, and indicated they are planning for staff reductions and increases in class sizes to adjust for the shortfalls. Gov. Tim Walz's proposed budget includes a one percent formula increase next year. Under this scenario, more than 60 percent of school districts are still projecting budget cuts.

The survey demonstrates the reality school districts statewide are experiencing and how COVID has exacerbated the situation. According to the Minnesota Department of Education, 17,000 students withdrew from public schools last fall due to COVID related concerns, leaving a gaping hole in school district revenues. Collectively, education organizations that manage school districts, and other



education advocates, strongly advocate for funds to mitigate the enrollment decline and at least a two percent increase on the education formula and link it to inflation.

###

Overview of Survey Results

Response rate: **43%** (144 of 333 school districts responded)

92% of respondents reported their respective district's projected general fund expenditures will exceed projected revenues for the 2021-22 school year if there is NOT a formula increase (assumptions include: same programming, average contract cost increases, and no new unfunded mandates). Most districts will address shortfalls by spending down fund balance, staff reductions, increased class sizes and reduction in program offerings.

Supporting detail below:

YES = 92% (133 of 144 respondents)

- o 19 of 133 (14%) shortfall of \$3m or greater
- o 29 of 133 (21%) shortfall between \$1-3m
- o 18 of 133 (14%) shortfall between \$501-999k
- o 63 of 133 (47%) shortfall between \$1-500k
- o 4 of 133 (3%) No Answer

Most districts addressing shortfalls by spending down fund balance, staff reductions, increased class sizes and reduction in program offerings.

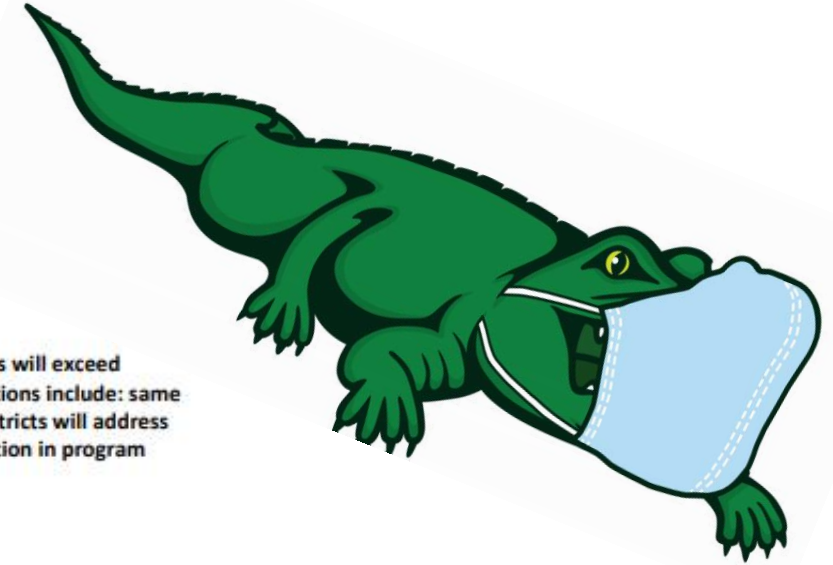
- o Increase class sizes = 73 of 144 responses (51%)
- o Reduce program offerings = 58 of 144 responses (40%)
- o Staff reductions = 98 of 144 responses (68%)
- o Spend down fund balance = 100 of 144 responses (69%)
- o Undetermined = 33 of 144 responses (23%)

75% of respondents plan to spend down their fund balance THIS YEAR (68% of that number reported spend down due to COVID). Most respondents anticipate spending down 25% or less.

Supporting detail below:

YES = 108 of 144 responses (75%); due to COVID = 73 of 108 (68%)

- o 84 of 108 will spend 25% or less (78%) [one of 84 responded as "No" to spend down, but answered question as 25% or less]
- o 12 of 108 will spend 25-50% (11%)
- o 5 of 108 will spend 50% or more (5%)
- o 8 of 108 did not provide answer



85% of respondents experienced a projected reduction in the number of students enrolling this fall from what was anticipated in their FY2021 adopted budget.

Supporting detail below:

YES = 123 of 144 responses (85%); 29 districts reported 5% or greater decline

85% of respondents experienced a reduction in the number of students applying or qualifying for the free and reduced lunch program compared to the same time last year.

Supporting detail below:

YES = 123 of 144 responses (85%); 76 of 123 reported 10% decline or greater

65% of respondents anticipate budget cuts with the Governor's proposed 1% formula increase in FY22.

Supporting detail below:

- 94 of 144 (65%) anticipate budget cuts
- 39 of 144 (27%) do not anticipate budget cuts
- 6 of 144 (4%) currently unsure
- 5 of 144 (3%) No answer
- *5 respondents broke out FY22 & FY23 dollars

83% of respondents experienced a projected reduction in the number of students enrolling this fall from 2019 enrollment.

Supporting detail below:

YES = 120 of 144 responses (83%); 37 districts reported 5% or greater decline

22% of respondents plan to go out for a referendum in the Fall of 2021. Most districts expect general fund expenditures will exceed projected revenues, and plan to spend down fund balance this year.

Supporting detail below:

31 of 144 (22%)

- 30 of 31 (97%) expect general fund expenditures will exceed projected revenues
- 28 of 31 (90%) plan to spend down fund balance this year
- 24 of 31 (77%) many have decline in student enrollment this year
- 27 of 31 (87%) expect reduction in reduced lunch recipients

