

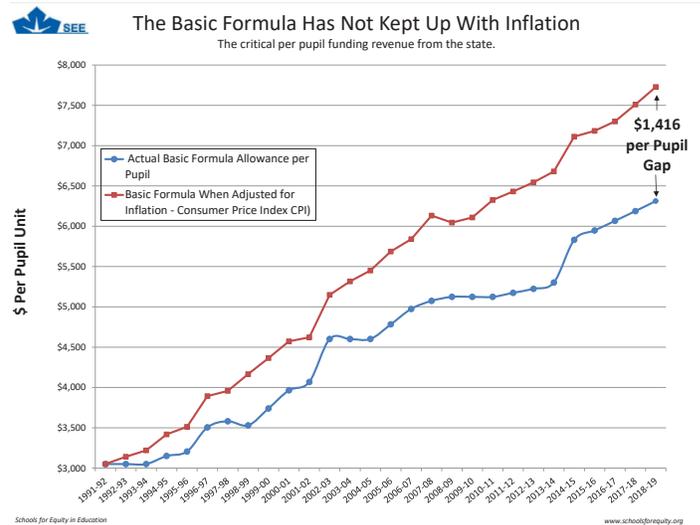
Budget Update 2019-20

***Budget recommendation**



Due to a continued pattern of declining enrollment affecting roughly 40% (Schools for Equity in Education) of school districts in Minnesota; combined with stagnant funding from the legislature not keeping pace with inflation, and special education under-funding, North Branch Area Public Schools (NBAPS) must look for budget savings for the 2019-20 school year.

The chart at right demonstrates how state funding has fallen behind inflation by over \$1,400 per pupil, based on the Consumer Price Index (CPI). As well, an increasing share of the funding received by school districts goes toward covering the cost of unfunded state and federal mandates.



Budget recommendation summary

NBAPS is a service oriented institution and the majority of its funding is used to provide those services. Declining enrollment dictates that the school district requires fewer staff to meet the needs of students, families, and the community. As such, reductions are recommended from all staffing categories. The summary of reductions is as follows:

- 21.66 FTE (full-time equivalent) - Licensed positions
- 9.295 FTE - Building support positions
- 5.17 FTE - District level support positions
- 1.0 FTE - Administration

Total positions reduced: 37.125 FTE

Savings to the 2019-20 budget of \$2.7 million (reduced to roughly \$2.3 million by utilizing Long Term Facilities Maintenance funds, and reducing set asides for severance reserves) will result in a \$30.9 million general fund budget, which NBAPS will use to protect signature programs such as the STEM program Project Lead the Way K-12, Air Force JROTC, Pro Start, computers for every student grades 5-12, robotics offerings, the arts, language, music and much more. In allocating next year's funding, school district staff adhere to the following guidance, provided by stakeholders and articulated in the school district's Continuous Improvement Plan:

- Class size
- Career and Tech Ed
- Expand gifted and talented
- Arts opportunities
- Fulfill the promise of 2017 referendum
- Financial literacy and life skills

Other highlights from the budget process include:

- Establish membership fees for high school fitness center/gym - with discounts for senior citizens
- Maintain Stacy School Age Care program
- Continue free event admission for high school students
- Sustain FIRST Lego League for gifted and talented and general education students
- Continue anti-bullying efforts at all levels
- Expand field trip offerings
- Partner with Chisago County to increase awareness around issues affecting families
- Market to attract students and families to the school district and community

Change is Needed Now!

From Schools for Equity in Education:

The two largest financial challenges facing school districts are the erosion of the per pupil basic formula revenue intended to provide the basic financial support for education and the growing unfunded cost of mandated special education services. Because of this, Minnesota is spending thousands of dollars less per student in the classroom today than what was spent to educate students in the early 1990s. Given the inability of the state to provide enough state-generated revenue for schools, districts are increasingly going to voters to seek additional revenue needed to maintain programs and meet the growing educational needs of students.

Without significant commercial and industrial development to expand the tax base and lower the overall taxpayer cost, the cost for school levies falls heavily on the local home and small business owners in low-property wealth districts. The high taxpayer cost reduces the amount of revenue local taxpayers can provide to support their local schools.

Virtually all area school districts are affected by this flawed funding situation; North Branch, Cambridge, Chisago Lakes, and Rush City regularly face budget challenges in order to address the state and federal governments' funding neglect.

With a new governor and new leadership at the state level, there has rarely been a better time to tell your lawmakers that the current school funding system is broken and requires changes and increases to adequately serve the students of Minnesota. Use the information at right to contact state leadership and demand these issues be addressed for now and for the future.

Budget questions or comments?

Do you have questions about school district budgeting or state funding? Would you like a better understanding of state education funding prior to contacting lawmakers? Use the information below to contact the school district. Staff will present a budget recommendation to the school board on Thursday, Feb. 28, and action is expected by the school board on March 7. Both meetings are open to the public.

The following options exist for providing input on the budget recommendation:

- E-mail: budgetinput@isd138.org
- Public hearing: Thursday, March 7, 5:30 p.m., North Branch Area Education Center, room 126
- Voicemail: 651-674-1080

For disability accommodation or a language interpreter, call the district office at 651-674-1000

Governor Tim Walz

130 State Capitol
75 Rev Dr. Martin Luther King Jr.
Blvd.
St. Paul, MN 55155
Toll Free: 800-657-3717
Email: <https://mn.gov/governor/contact/>

Rep. Anne Neu (32B)

261 State Office Building
St. Paul, MN 55155
Phone: 651-296-5377
Email: rep.anne.neu@house.mn

Rep. Brian Johnson (32A)

243 State Office Building
St. Paul, MN 55155
651-296-4346
Email: rep.brian.johnson@house.mn

Senator Mark W. Koran (32)

95 University Avenue W.
Minnesota Senate Bldg, Room 3101
St. Paul, MN 55155
Phone: 651-296-5419
Email: carl.martins@senate.mn

Education Finance Committee Chair

Rep. Jim Davnie (63A)

443 State Office Building
St. Paul, MN 55155
Phone: 651-296-0173
Email: rep.jim.davnie@house.mn

E-12 Finance and Policy Chair

Senator Carla J. Nelson (26)

95 University Avenue W.
Minnesota Senate Bldg,
Room 3235
St. Paul, MN 55155
Phone: 651-296-4848
Email: Veronica.Faye@senate.mn

