

Budget Update 2020-21



Due to a continued pattern of declining enrollment affecting roughly 40% (Schools for Equity in Education) of school districts in Minnesota; combined with funding from the legislature not keeping pace with inflation, and special education under-funding, North Branch Area Public Schools must look for budget savings for the 2020-21 school year. However, adjustments to the 2020-21 budget are mitigated by several factors:

- Ended 2018-19 better than projected
- Current enrollment higher than projected
- Safe schools allocation of \$99,000
- Staff development support for media specialists



NBAPS vision: Inspire dreams, build integrity, and instill hope in our students, our staff, our families, and our communities

For the 2020-21 school year, North Branch Area Public Schools (NBAPS) must realize \$500,000 in budget saving. Work on a recommendation to be ready for next year's funding levels is already underway and it is expected the school board will vote on that recommendation at its March 5 meeting (large gym, North Branch Area Education Center, 5:30 p.m.). As NBAPS builds a budget for 2020-21, it will focus on the following priorities:



NBAPS is a fiscally responsible school district with a history of creating opportunity for students and families despite a broken funding system. In the last decade, NBAPS has provided all students grades 5-12 with devices, integrated Project Lead the Way K-12, added Air Force JROTC, Pro-Start, prioritized anti-bullying curriculum, instituted full-day pre-school, expanded school age care, adopted new resources in reading and math, and much more. The Kick Start program offers qualifying seniors with a free year of education at Pine Tech., and the Viking Youth Skills Collaborative apprenticeship program is coming in the fall! NBAPS shows what can be accomplished when funding priorities focus on instruction.

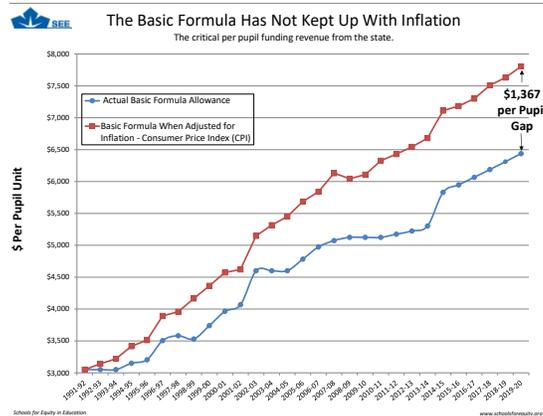
Change is Needed Now!

Although the need to make fewer budget adjustments for the 2020-21 school year is great news for North Branch Area Public Schools, challenges remain. Enrollment projections continue to show a pattern of decline for upcoming years, and the school district projects a loss of 25 students for the 2020-21 school year.

As well, staff costs the school district has been able to fund through construction dollars will revert back to the general fund once construction projects are complete.

Most importantly, state revenue continues to fall short of even inflationary increases. Schools for Equity in Education notes:

While the general education basic formula was increased 2% for the 2019-20 (current) school year and is set to increase 2% for the 2020-21 school year, this vital source of school funding has not kept pace with inflation. The organization Schools for Equity in Education has calculated a \$1,367 per pupil gap between the 19-20 actual formula allowance and an inflation-adjusted formula allowance. For TCU the impact of this is enormous, equating to a \$2.7MM gap between funding and inflationary costs in the 19-20 school year alone.



This chart demonstrates how state funding has fallen behind inflation by over \$1,300 per pupil, based on the Consumer Price Index (CPI).

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. 27, and action is expected by the school board on March 5. Both meetings are open to the public.

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

- E-mail: budgetinput@isd138.org
- Voicemail: 651-674-1080

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

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