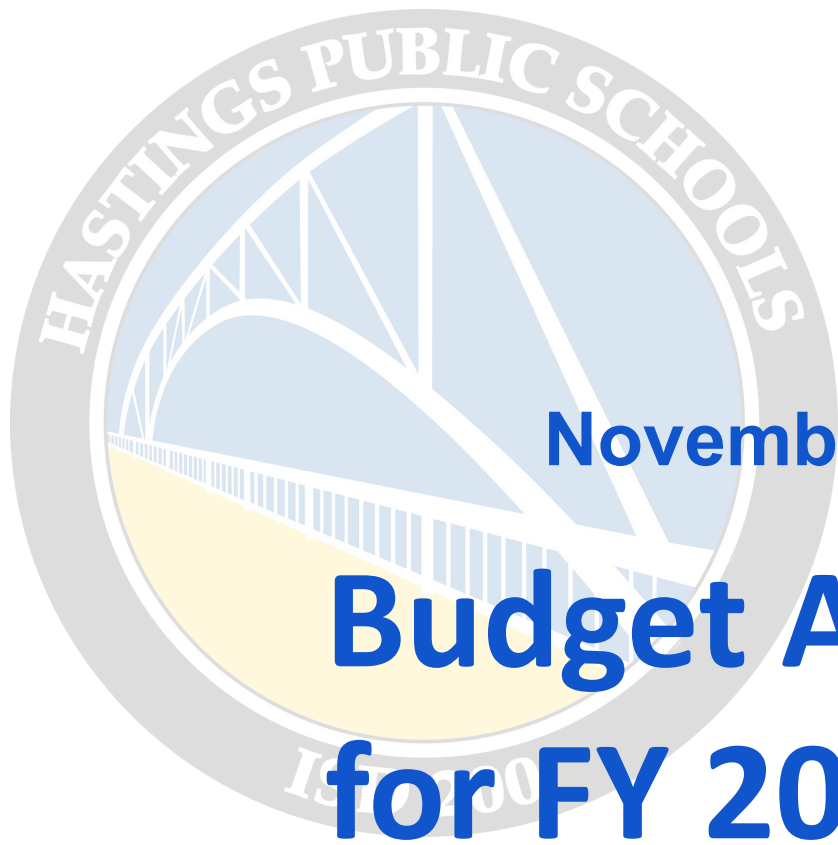


Hastings Area Public Schools - ISD 200
School Board Meeting Agenda

Wednesday, November 8, 2023
Work Session
Middle School Media Center

- I. **Items for Discussion**
 - a. Student Behavior/Discipline report
 - b. School Perceptions survey results
 - c. Initial Budget Assumptions/Guiding Principles discussion (2024-25)
 - d. Targeted board input to format of 215/21PR
 - e. Updated/refreshed Joint Powers Agreement
 - f. Student Board member schedule/process



November 8, 2023

Budget Assumptions for FY 2024-25

Budget Assumption Process

The process of identifying, evaluating, and selecting assumptions that form the foundation of a budget plan.

Throughout the process, historical information will be included for context.

The projections will be used for planning purposes and to determine guidelines to set budget parameters, such as staffing ratios and program needs.



Current Situation

FY 2022-23 (General Fund Unassigned)

- Revised Budget = Revenues > Expenditures \$655,302.28
- Actual = Revenues > Expenditures \$1,299,926.94
- \$644,625 budget to actual variance
 - or about a 1% variance of expenditures
- Fund Balance Policy (Minimum) = 16%, Year-End = 25%

FY 2023-24 (General Fund Unassigned)

- Adopted = Revenues < Expenditures \$46,643.18
- Revised budget still in progress, anticipate a balanced budget +/- \$150,000

Levy 2023 Payable 2024 for FY 2024-25 (To be approved in December)

- -0.09% overall prior to Technology levy
- Technology levy +\$2,000,000



Enrollment Projection

Enrollment Projected by End of the Year Adjusted ADM							4 Year Weighted Average		
	Enrollment History						Enrollment Projections		
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
ECSE	35.9	39.9	37.4	44.2	47.6	48.7	45.8	44.6	44.4
Pre K	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
HK	38.5	34.6	40.3	39.6	47.0	54.2	54.6	53.1	52.9
K	233.2	253.3	228.0	224.0	225.6	206.0	207.7	202.1	201.3
1	302.4	272.9	281.9	275.6	269.4	284.8	267.4	269.6	262.3
2	307.3	312.6	269.2	282.3	283.0	277.8	290.3	272.6	274.8
3	287.8	313.6	305.0	267.8	277.6	290.0	278.2	290.7	273.0
4	306.6	295.8	296.4	303.8	273.2	277.7	290.0	278.2	290.7
5	345.8	321.0	291.4	295.7	306.2	285.5	282.8	295.3	283.3
6	325.9	352.3	318.7	286.1	299.4	311.9	287.5	284.8	297.3
7	350.9	323.6	356.2	321.2	287.2	293.8	310.7	286.4	283.7
8	328.4	348.4	317.0	352.1	326.9	293.6	296.7	313.8	289.3
9	413.8	353.2	398.7	382.6	401.6	372.5	338.8	342.3	362.1
10	382.5	393.7	316.4	373.6	357.5	370.9	345.2	314.0	317.3
11	336.6	360.7	370.3	305.6	361.7	333.1	352.5	328.1	298.4
12	351.3	339.4	358.5	378.8	308.8	343.8	328.9	348.0	324.0
K-12	4,310.9	4,275.0	4,147.9	4,088.7	4,025.1	3,995.7	3,931.4	3,879.2	3,810.6
ECSE-12	4,346.7	4,314.9	4,185.3	4,132.8	4,072.6	4,044.4	3,977.2	3,923.8	3,855.0
Adjusted Pupil Units	4,779.4	4,738.7	4,608.7	4,555.6	4,481.4	4,445.9	4,371.8	4,310.3	4,229.9
% Change K-12	-0.67%	-0.83%	-2.97%	-1.43%	-1.56%	-0.73%	-1.61%	-1.33%	-1.77%

- The enrollment projection model utilizes district enrollment history, October 1 enrollment counts, county birth rates, migration trends by grade and kindergarten capture rates to project future enrollment.



General Education Revenue

	18-19	19-20	20-21	21-22	22-23	23-24	24-25
General Ed Formula Allowance	\$6,312	\$6,438	\$6,567	\$6,728	\$6,863	\$7,138	\$7,281
% Increase	2.0%	2.0%	2.0%	2.45%	2.0%	4.0%	2.0%

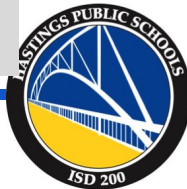
- Revenue projections calculated based on the MDE Revenue Projection Model and the enrollment projection.
- FY 2025-26 and beyond: actual increase equal to Consumer Price Index - Urban (CPI-U) with a floor of 2.00% and cap of 3.00%. CPI-U determined based upon prior two fourth quarter totals. Language including inflationary increases does not prevent future legislatures from additional increases in formula.
- 2% increase in FY 2024-25 = \$625,000 in additional revenue



Special Education Revenue

	18-19	19-20	20-21	21-22	22-23	23-24 Projection	24-25 Projection
Annual Aid	\$5,514,656	\$5,987,810	\$6,293,630	\$6,314,153	\$7,400,149	\$9,300,000	\$9,579,000
% Increase	7%	9%	5%	0%	17%	26%	3%

- Based on historical trends, changes in enrollment, number of students qualifying for special education services, costs of providing services and formula changes.
- Cross Subsidy Reduction Aid:
 - FY 2022-23 = 6.43%
 - FY 2023-24, 2024-25, 2025-26 = 44%
 - FY 2026-27 = 50%
- New for FY 2024-25
 - Special instruction extended until Age 22
 - Transportation reimbursement for prior year costs for students in foster care
 - Special education homeless pupil aid
- Projection reviewed for reasonableness by District's Auditor



English Learner & Cross Subsidy Revenue

	18-19	19-20	20-21	21-22	22-23	23-24 Projection	24-25 Projection
Annual Aid	\$29,806	\$30,463	\$33,195	\$39,986	\$44,644	\$65,225	\$67,182
% Increase	-2%	2%	9%	20%	12%	46%	3%

- FY 2023-24
 - New reserved fund balance
 - EL Expenditures = \$333,989
- English Learner Aid, EL Concentration Aid and EL Cross Subsidy Reduction Aid:
 - FY 2022-23: \$704 for English Learner Aid, \$250 EL Concentration
 - FY 2023-24, 2024-25, 2025-26: \$1,228 times the greater of 20 or total English Learner ADM; and \$436 times English Learner Pupil Units (concentration)
 - FY 2026-27: \$1,775 times the greater of 20 of total English Learner ADM; and \$630 times English Learner Pupil Units (concentration); and 25% EL Cross Subsidy Aid Reduction based on second prior year qualifying services

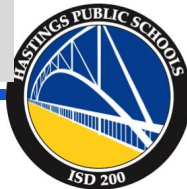


Compensatory Revenue

	18-19	19-20	20-21	21-22	22-23	23-24	24-25 Projection
Compensatory	\$661,905	\$682,630	\$601,784	\$436,787	\$418,307	\$1,448,518	\$1,482,240
Adj Free/Reduced Count	795.00	806.00	752.00	625.00	597.00	1,104.50	975.00

Used to meet the education needs of pupils whose progress toward meeting state or local content or performance standards is below the level that is appropriate for learners of their age.

- Free/Reduced lunch counts are collected as of October 1 of each year
- Increases with general education formula allowance
- FY 2024-25:
 - Revenue hold harmless
 - Must use at least 80% of the revenue at the site that generated it (increased from 50%)
- FY 2025-26:
 - Direct certification eligible students as the new base calculation



COVID 19 Relief Funds/ESSER Funds

	20-21	21-22	22-23	23-24	24-25 Projection
Total Revenue	\$1,430,906	\$1,346,264	\$3,256,504	\$1,759,802	\$0

Expenses will be reviewed on an upcoming slide.



Athletic/Activities Participation Fees

	19-20	20-21	21-22	22-23	23-24
HS Athletic Fee	\$150	Tier 1:\$175 Tier 2: \$200 Tier 3: \$265	Tier 1:\$175 Tier 2: \$200 Tier 3: \$265	Tier 1:\$175 Tier 2: \$200 Tier 3: \$265	Tier 1:\$175 Tier 2: \$200 Tier 3: \$265
HS Activity Fee	\$150	\$150	\$150	\$150	\$150
HS Ind Max/Family Max (includes MS Athletics)	\$450/\$600	\$525/\$700	\$525/\$700	\$525/\$700	\$525/\$700
MS Athletic Fee	\$60	\$60	\$60	5th: \$80 6th - 8th: \$120	5th: \$80 6th - 8th: \$120
MS Activity Fee	\$30 (Select few)	\$30 (Select few)	\$30 (Select few)	\$50	\$50
MS Ind Max Family Max				5th: \$240 6th - 8th: \$360 Family: \$480	5th: \$240 6th - 8th: \$360 Family: \$480

Participation fees will be review in FY 2023-24 for possible updates in FY 2024-25.



Staffing Allocations

Elementary	
Grade	Board Approved Staffing Ratios 2021-2022
K	20
1-2	22
3-4	25

Secondary	
Grade	Board Approved Staffing Ratios 2021-2022
5	25
6	26
7-8	27
9-12	32

- Staffing is allocated based on projected enrollments and staffing ratios.
- PELRA Changes - terms and conditions of employment now includes adult-to-student ratios
- Right Sizing Adjustments
 - Elementary: No change
 - Middle School: Reduction of 2.10 FTE
 - High School: Reduction of 2.10 FTE
- Special Education & EL (teachers and ESP's): in process
- FY 2023-24 one-year increase in hours for Special Education ESP's and Food Service



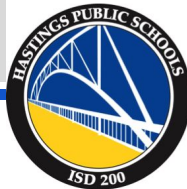
K-Grade 3 Suspensions Prohibited

- Prohibition on K-3 dismissals unless non exclusionary discipline (NED) has been exhausted and there is an ongoing safety threat.
- 3 FTE were added in FY 2023-24
- Staffing needs will be reviewed along with priorities for the upcoming school year.



Covid 19 Relief Funds/ESSER (FY 2023-24)

- District was intentional that expenses covered by Covid grants were one-time, not ongoing
- ARP ESSER III Summer Academic/Mental Health Support Finance Code 150 **\$39,166**
 - Increased staffing, field trips, instructional supplies and transportation
- ARP Homeless II Finance Code 159 **\$4,441**
 - Basic need items for families experiencing homelessness
- ARP ESSER III 90% Finance Code 160 **\$1,115,021**
 - 5 FTE for Academic Support Positions (10%)
 - MTSS 1.25 FTE
 - Float Subs (4 Secondary, 3 Elementary)
 - 1 FTE High School Social Worker Position
 - Canvas Health Therapeutic Assistance Program (increase) & Substance Use Program
 - Communities in the Schools - High School (increase) & Middle School
 - Retention Payments per employment contracts
 - Additional staffing approved - 3 FTE
 - Contracted Staffing Special Education
- ARP ESSER III 90%/20% Finance Code 161 **\$524,175**
 - 5 FTE for Academic Support Positions (90%)
- ESSER III 5% Learning Recovery Finance Code 169 **\$76,999**
 - MTSS .75 FTE



Employment Contract Settlements

	18-19	19-20	20-21	21-22	22-23	23-24	24-25
Teachers	1.25%	2.00%	1.95%	2.10%	2.00%	Negotiating	Negotiating
ESP's	\$.75	1.50%	2.5% Eliminate step 1	2.5% Eliminate step 2	2.10% Eliminate steps 3, 4, 5	Adjusted to average, 7 Step Schedule, 3%	3%
Food Service	\$.75	1.50%	2.5% Eliminate step 1	2.5% Eliminate step 2	2.10% Eliminate steps 3, 4, 5	Adjusted to average, 7 Step Schedule, 3%	To be negotiated
All Other Groups	\$.75	1.50%	2.5% Eliminate step 1	2.5% Eliminate step 2	2.10% Eliminate steps 3, 4, 5	2%	To be negotiated



Health Insurance

	18-19	19-20	20-21	21-22	22-23	23-24	24-25
% Premium Increase	0.00%	0.00%	2.00%	0.00%	0.00%	15% w/out plan changes 7% w/plan changes	13% per Consultant as of October

- Reserve at the end of FY 2022-23 was \$4.4 million
- Reserve at expected claims is projected to be \$3.9 million at the end of FY 2023-24
- Target reserve is approximately \$3.7 million based on 40% of expected claims
- Employee groups will continue to have the option to move to plan 2 (7% premium increase with plan changes)
- FY 2023-24 Employer premium contributions are currently approximately \$7.5 million



Transportation Contract

	18-19	19-20	20-21	21-22	22-23	23-24	24-25 Projection
% Increase	1.90%	3.25%	3.25%	4.00%	4.00%	11.6%	3% or CPI, whichever is higher

- Annual transportation costs are expected to be approximately \$5.6 million in FY 2024-25
- Increase from FY 2023-24 to FY 2024-25 is expected to be approximately \$164,000
- Continue to evaluate the number of buses used as our enrollment declines
- Continue the transportation opt-out process for elementary students
- Continue the transportation opt-in process for secondary students



Unemployment Costs

	18-19	19-20	20-21	21-22	22-23	23-24	24-25 Projection
Annual Cost - Traditional	\$17,341	\$92,946	\$32,523	\$-74,061	\$4,101	\$5,344 YTD	
Annual Cost - Summer Term					\$13,022	\$158,523 YTD	

- Summer 2023 = \$171,545
- \$135,000,000 in reimbursement aid available until FY 2026-27 or depletion
- Once aid has been exhausted, district expense
- District will evaluate positions that are less than 12 months



Building/Department Budgets

- Each budget manager will:
 - Review their budget(s)/expenditures
 - Submit budget savings and/or requests for additional funding



Technology Levy

Hastings Public Schools Tech Levy Priorities



**Student and Staff
Learning Devices &
Reliable Access**



**Building & Grounds
Security and Cyber
Security**



**Innovational
Opportunities &
Possibilities**

What is the ballot request?

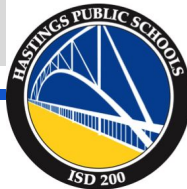
The request is for a 10-year technology levy of \$2 million per year. Approval of the levy will allow the district to:

- Sustain classroom technology equipment and student and staff devices
- Maintain and enhance school safety and security systems, including cyber security
- Maintain essential technology support for students and staff, including technology infrastructure required to provide reliable access for staff and students and software needed to support district operations



Earned Sick and Safe Time (“ESST”)

- Effective January 1, 2024
- Requires employers to allow employees to accrue one hour of earned sick and safe time for every 30 hours worked up to a maximum of 48 hours in a year.
- In most cases, the district already provides employees with more sick leave than required by ESST.
- ESST provides expanded circumstances as to when an employee can take sick leave to care for a relative and redefines the individuals who are an eligible “relative” for purposes of the leave.
- The law will continue to apply to the diagnosis, care and treatment of physical and mental illness, injuries and health conditions, as well as absences related to domestic abuse, sexual assault and stalking.
- The use of ESST also includes: i) to address the closure of the employer’s place of business or to care for a family member whose school or place of care is closed due to weather or other emergency; and ii) when work is affected by the transmission or diagnosis of communicable illnesses related to a public emergency.
- May result in additional costs to the district for employees not currently earning paid leave (all employees, including part-time and temporary employees, who work for their employer in MN for at least 80 hours in a year, are eligible) and for an increase in employee absences.



Read Act - Professional Development

- The “Reading to Ensure Academic Development” (READ) Act provides funding for professional development and curriculum aligned with structured literacy, setting goals and interventions to improve literacy.
- **Professional Development:** *The READ ACT requires all teachers and instructional support staff with the responsibility for teaching reading to be trained on evidence-based reading instruction. It is expected that the READ Act allocation of \$16.7 million for professional development will not be able to fully fund training for all required educators across the state.*

**Literacy Incentive Aid of
\$216,494 will be carried over into
FY 2024-25 to help offset costs
of implementation**

CARIEALL	LTRS	CORE
$\$50,000$ (training) + 120 teachers X $\$31/\text{hour}$ X 61 hours = $\$226,920$ TOTAL: $\\$276,920$ *No materials	Virtual Cost for 120 teachers: $\$95,760$ (materials) + $\$10,800$ (3 cohorts of 40) + $\$238,080$ (120 teachers X $\$31/\text{hour}$ X 64 hours) = TOTAL: $\\$344,640$ In-Person Cost for 120 teachers: $\$95,760$ (materials) + $\$16,500$ (3 cohorts of 40) + $\$238,080$ (120 teachers X $\$31/\text{hour}$ X 64 hours) = TOTAL: $\\$350,340$	Materials $\$70,200$ ($\$585/\text{person}$ X 120) + $\$200,880$ (120 teachers X $\$31/\text{hour}$ X 54 hours) Note: each module is recognized as taking 3-6 hours TOTAL = $\\$271,080$



Read Act - Instructional Materials

- On January 1, 2024, five (5) approved core curriculum options will be released by the Minnesota Department of Education (MDE).
- *\$35 million dollars has been for designated to reimburse school districts, charter schools, and cooperative units for evidence-based literacy supports for children in prekindergarten through grade 12 based on structured literacy. Districts selecting approved curriculum after July 1, 2023 are eligible for reimbursement.*
- *Curriculum review of science of reading materials is in process.*
- Funding available will most likely not cover all districts expenses.



Innovation Teams Input - Priorities

- Current analysis of secondary programming is in process.
- [April 26, 2023 Board Presentation](#)
 - HMS
 - Current 6 Period Day with MTSS and Math Interventionist
 - \$0 to \$46,500
 - 6 Period Trimester Wheel with MTSS and Math Interventionist
 - \$46,500 to \$167,400
 - 7 Period Trimester with MTSS and Math Interventionist
 - \$604,500 to \$790,500
 - HHS
 - 7 Period Day with core class size reduction, social worker, and MTSS
 - \$186,000 to \$465,000
 - 6 Period Trimester with staffing complications, social worker, and MTSS
 - \$279,000 to \$465,000
 - Block Schedule with specialized courses, social worker, and MTSS
 - \$186,000 to \$279,000
 - Staffing at HALC to accommodate more students
 - \$93,000 to \$139,500



Parent/Guardian Input - Priorities



Survey Analysis System

Accessing results summary from "2023-24 Parent/Guardian Satisfaction Survey, page: **Planning Priorities** from Hastings Public School District.

Please choose up to four areas that you believe we should focus our planning efforts. (n=740)

School safety and security (0)	377	50.9%	
Recruit and retain high-quality staff (0)	342	46.2%	
Student behavior/discipline (0)	322	43.5%	
Mental health services for students (0)	305	41.2%	
Career and technical education (trades, business/marketing, health sciences) (0)	302	40.8%	



City of Hastings - Joint Powers

- Ice Arena new roof and refrigeration system
- Project total is approximately \$5 million
- 50% of the project has been submitted to the state as a bonding bill request
- Joint projects in the past have been split 70% City, 30% School District
- 30% is \$750,000

Other Grants

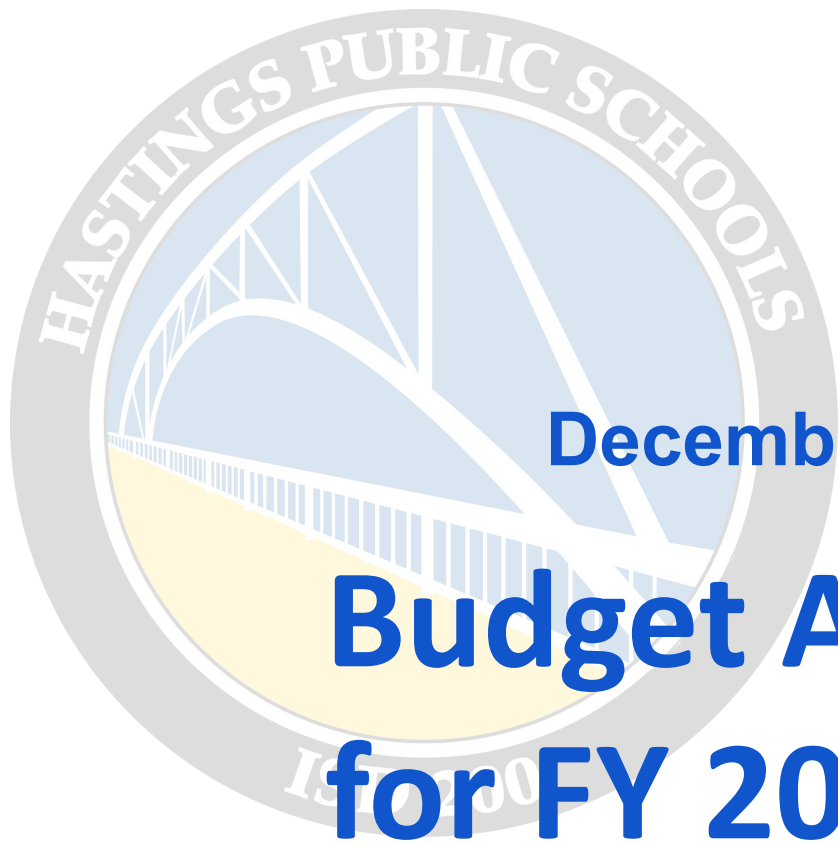
- Nonexclusionary Discipline (NED) Grant - Submitted - \$200,000
 - Two .5 FTE Culturally Responsive & Restorative Coaches
 - Consultant for Training/Registration/Supplies/Materials
- MnMTSS Grant - Due November 13th
- Building and Cybersecurity Grant - Opening in November
- Single-User Restroom Grant - Opening in December/January



Next Steps

- Budget Projection Model updated for FY 2024-25
- Board Guiding Change Document
- Innovations Teams work
- Re-evaluate Covid expenditures
- Staffing projections for Special Ed and EL (teachers & ESP's)
- Parameters for next round of employment contract settlements FY 2024-25 and FY 2025-26
- Administrative recommendation regarding increased hours for ESP's and Food Service
- Initial FY 2024-25 budget
- Assumptions updated as additional information becomes available
- Other budgets will be analyzed for potential updates





December 3, 2023

Budget Assumptions for FY 2024-25

Staffing Allocations

Elementary	
Grade	Board Approved Staffing Ratios 2021-2022
K	20
1-2	22
3-4	25

Secondary	
Grade	Board Approved Staffing Ratios 2021-2022
5	25
6	26
7-8	27
9-12	32

- Staffing is allocated based on projected enrollments and staffing ratios.
- PELRA Changes - terms and conditions of employment now includes adult-to-student ratios
- Right Sizing Adjustments
 - Elementary: No change
 - Middle School: Reduction of 2.10 FTE
 - High School: Reduction of 2.10 FTE
- **Special Education & EL (teachers and ESP's): Received Special Education teachers**
- FY 2023-24 one-year increase in hours for Special Education ESP's and Food Service



Employment Contract Settlements

	18-19	19-20	20-21	21-22	22-23	23-24	24-25
Teachers	1.25%	2.00%	1.95%	2.10%	2.00%	To avg of comparison districts and at least a 2%	\$3,000 and/or 3.00%
ESP's	\$.75	1.50%	2.5% Eliminate step 1	2.5% Eliminate step 2	2.10% Eliminate steps 3, 4, 5	Adjusted to average, 7 Step Schedule, 3%	3%
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Unemployment Costs - Updated

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Annual Cost - Traditional	\$17,341	\$92,946	\$32,523	\$-74,061	\$4,101	\$5,344 YTD	\$18,000
Annual Cost - Summer Term					\$13,022	\$158,523 YTD	\$165,000

- Summer 2023 = \$171,545
- \$135,000,000 in reimbursement aid available until FY 2026-27 or depletion
- Once aid has been exhausted, district expense
- District will evaluate positions that are less than 12 months
- Statewide Summer 2023 costs = \$40 million
- If claims remain consistent, there will be enough aid available for the summer of 2024 and 2025

