



**School Board Work Session Monday,
January 10, 2022; 6:00 PM
ECC Room 350**

I. Determination of Quorum and Call to Order

II. Discussion/Report

A. 2022-2023 Budget Development Plan

Description: Administration will present the basic annual and long-range budget parameters to be used for FY2022-23 budget development.

Presenter(s): John Toop, Director of Business Services

B. Legislative Plan

Description: On Sept 13, 2021, the School Board approved Board Goals for the 2021-22 school year that include advocacy as a top priority. In addition, advocacy efforts on behalf of our schools also work to meet priorities outlined in the District's Strategic Plan Strategy E.

Presenter(s): Board Legislative Action Committee

III. Board Chair Updates

IV. Superintendent Updates

V. Adjournment



Board Meeting Date: 1/10/2022 Work Session

TITLE: 2022-23 Budget Development Plan

TYPE: Discussion

PRESENTER(S): John Toop, Director of Business Services

BACKGROUND: Administration will present the basic annual and long-range budget parameters to be used for FY2022-23 budget development.

Desired Outcomes from the Board: The School Board should review the budget development parameters presented and be prepared to ask questions on enrollment, online learning pathways and other areas of the budget parameters as appropriate.

ATTACHMENTS:

1. Report (Annual and Long-Range Budget Parameters)

2022-23

BUDGET PARAMETERS

Edina Public Schools are well positioned

Strategic plan implementation	Stable enrollment
Strong financial management	Proactive process involving many stakeholders
Problem-solving administrative team	Communication to all staff/community

Budget Focus

to be used by the Board, administrators, sites, staff and community:

Maximizes resources to ensure successful education for all students, blending alignment of time, talent and funds

Finance

- Multiyear planning approach through the use of a long-range financial planning model.
- Fund balance to remain at 6% as per current board policy guidelines.
- Projected fund balance as of 6-30-22 is above 6%. Budget plan will include steps to maintain fund balance at the 6% level as of 6-30-2023.
- The 2022 Legislative session is a non-budget session. There may be slight increases to education funding, however, the State has already increased per pupil funding by 2% for FY22-23. Any new increases in revenue will probably be nominal and specific. The results of the legislative session will be incorporated into the budget in June 2022.
- Recommendations based on student achievement for all and fiscal integrity
- No new programs unless cost neutral
- No new staff unless cost neutral

Enrollment (ADM) Parameters

1. Four different enrollment projection calculations have been used to give us a range of enrollment for next year and to project future years. These methods assume steady enrollment to a small amount of growth per year. If open enrollment is closed in certain areas of the district, this will influence projections. One enrollment projection method will need to be selected for FY22-23 budgeting.

3 Yr. Avg.	51.71 ADM increase	48.50 Weighted pupil increase
3 Yr. Wt Avg.	81.26 ADM increase	81.10 Weighted pupil increase
5 Yr. Avg.	49.44 ADM increase	42.90 Weighted pupil increase
5 Yr. Wt Avg.	59.55 ADM increase	55.60 Weighted pupil increase

2. Pupil Unit Weighting Factors – Pre-Kindergarten (1.0), Kindergarten Handicapped (1.0), Grades K-6 (1.0) and Grades 7-12 (1.2).
3. Average Daily Membership (ADM) increase of 49-81 and Adjusted Pupil Units (APU) increase of 43-81 depending on final enrollment projection method selected.

Revenue Budget Parameters

1. General Education Revenue (GER) amount per APU is at \$6,863 for 2022-23, an increase of 2.0% from 2021-22. The base assumption for 2023-24 and beyond is a 2.0% increase. A 1% increase in GER is approximately \$633,000. Most of the GER is for the general operation of the school district and is not designated by the State for a specific purpose. GER is funded by state aid. (The increase in the per student amount is a change from previous years. Previous years projected an increase for future unknown funding years at 1%. The GER per student has increased by at least 2% each year for the past 9 consecutive years.)
2. Basic Skills Revenue – Basic Skills revenue includes the former compensatory, Limited English Proficiency (LEP), and LEP concentration revenues. While these revenues are combined into a single category, the funding available for Basic Skills revenue is based on existing formulas for the individual components. LEP Average Daily Membership is estimated to be 389. Compensatory revenue is based on October 1, 2021 free and reduced lunch counts. The combined revenue is estimated to be \$746,869.
3. Gifted and Talented revenue is \$13 per APU for 2022-23 which is estimated to be \$120,219.
4. Operating Referendum monies in the General Fund (after LOR subtraction) equal \$1,877 per APU.
5. Local Optional Revenue (LOR) equals \$724 per APU. The LOR is subtracted from the referendum allowance.
6. Equity revenue is calculated by a formula that evaluates the highest paid districts and the lowest paid districts in the state. It is estimated that the district will receive about \$69.55 per APU, or \$670,819 for 2022-23.

7. Operating Capital revenue has a component representing the former equipment formula (\$79 per APU), a component representing the former facilities formula (\$109 times the District's maintenance cost index, age of buildings), and a learning year rate (\$31 per APU). It is estimated that the district will receive about \$229.90 per APU, or \$2,136,011 for 2022-23.
8. Safe Schools revenue for EPS (\$36) and ISD #287 (\$15) is \$51 per APU for 2022-23 which is estimated to be \$471,748.
9. Special Education Revenue: In 2015-16, the state implemented new special education formulas. There are three calculations for state special education aids using prior year data. The district receives the lesser of these calculations:
 - a. "Old formula" calculations excluding transportation times .62
 - b. Districts nonfederal special education expenditures excluding transportation times .50
 - c. Census-based calculations times .56Further, the 2019 Education bill increased funding by \$91 million (cross-subsidy reduction aid), began phase out and subsequent elimination of the state aid growth cap, and reduces the portion of unreimbursed special education costs the serving district can bill back to the resident district from 90% to 85% (FY20) to 80% (FY21 and later).

The estimated Special Education State aid that will be used for budgeting purposes is \$15,421,458, which represents a 2.5% increase from the estimated FY21-22 amount of \$15,045,325.
10. The district participates in the third-party billing program. The revenue from this program is estimated at \$50,000 and will pay for the costs of contracted services associated with the program and unreimbursed special education substitute costs.
11. The 2-year grant cycle for the Alternative Delivery of Specialized Instructional Services (ADSIS) program aid is for the 21-22 and 22-23 years. Budget parameters assume maintenance of the ADSIS funding and approval of another 2-year grant. If funding is not approved, appropriate adjustments will need to be implemented.
12. Literacy Incentive Aid estimate is \$515,471.
13. Federal aids are estimated to correspond to federal expenditures.
14. Miscellaneous revenues will be approximately the same amount.
15. Gifts and donations revenue will equal gift and donation expense.

16. Interest revenue is based on current interest rates and available cash flow for investments.

Expenditure Budget Parameters

1. Staffing –The 2022-23 staffing base FTE was based on December 1, 2021, estimated ADM calculations. The current estimated actual ADM for 2021-22 was slightly higher than projected for the elementary, middle schools and the high school. Staffing may be adjusted according to the Board budget plan to be approved in March 2022. The base long-range plan does not include staffing for enrollment growth.
2. Salaries and fringe benefits are actual amounts for settled contracts. An inflationary increase based on regional and historical trends is planned for non-settled contracts. Total budgeted salaries and benefits for all General Fund staff in 2022-23 is \$106,886,532, prior to FY21-22 budget revision and additions for enrollment growth or reductions. A 1% increase in employee compensation equals approximately \$1,068,865.
3. Lane changes are estimated at \$200,000, which is based on actual lane changes from the previous year. (Change from \$250,000 to \$200,000 based on number used in EME settlement agreement.)
4. Instructional contingency (Asst. Supt.) of \$50,000, strategic contingency (Supt.) of \$50,000 and special education contingency (Spec. Services Dir.) of \$50,000 to be used at the start of the school year to address student needs and class size concerns. Any additions funded with contingency funds will be for the 2022-23 year only.
5. A three-year history will be used to project gas and electricity costs with consideration given to current utilities rates. Utilities costs are allocated to Food Service and Community Service programs for the calculated portion of their usage.
6. Supply allocations – Allocations are based on projected ADM for 2022-23 with a 1% inflationary increase. These budget allocations are based upon the projected ADM data as of January 1, 2022. Sites are to work with Principals and the Special Services Director to determine appropriate budget amounts for ELL, gifted, and special education at each respective site.
7. Equipment Allocations – Operating Capital allocations are based on projected ADM for 2022-23, building age and square footage.
8. Currently, the district is not anticipating the need to borrow for cash flow purposes. The district will continue to monitor state budget forecasts and legislative activity for potential impact to cash flow.

9. Purchased services and miscellaneous expenditures will increase by 1%.
10. Federal program, alternative compensation and integration expenditures equal appropriate program revenue.
11. Staff Development expenditures will equal 2% of GER.
12. Substitute budgets and overtime budgets are based on prior year's history of costs.
13. Annual Other Post Employment Benefit (OPEB) costs are estimated to be \$962,531 for FY22-23 based on updated GASB 75 actuarial valuation report from Hildi, Inc. (The last 2 years actual amounts have been \$915,707 and \$1,021,974.)
14. Reduction of one-time expenditures added in 2021-22 with contingency funds.
15. Reduction of one-time enhancements added in 2021-22.



Board Meeting Date: 1-10-2022

TITLE: Board Legislative Action Committee (LAC)
2021-22 BYLAWS, Recommended 2022 Priorities and Update

TYPE: For Discussion and Approval

PRESENTER(S): Julie Greene (chair) and Dan Arom, LAC Committee members

BACKGROUND:

On Sept 13, 2021, the School Board approved Board Goals for the 2021-22 school year that include advocacy as a top priority. In addition, advocacy efforts on behalf of our schools also work to meet priorities outlined in the District's Strategic Plan Strategy E. (referenced below).

School Board Goals (approved Sept 13, 2021)

1.Ensure the board and community are engaged in advocating for policies and laws that positively affect public school systems.

2.Ensure the board and community is advocating for effective Covid-19 management measures that positively impact our ability to manage the Covid-19 epidemic at EPS at the city and state level.

Edina Public Schools Strategic Plan 2020-2025 (approved Spring, 2020)

Strategy E | Engage Parents, Schools and Community

Edina Public Schools works in partnership with parents, students, staff, alumni and community to serve as a reflection of Edina's strong commitment to education.

4. Leverage partnerships with community groups, businesses, local and state government agencies and individuals to strengthen and foster relationships with EPS.

CURRENT STATUS & ACTION NEEDED:

1. Legislative Action Committee (LAC) BYLAWS. In November, 2021, the School Board discussed revisions to the LAC Bylaws and the LAC garnered Board feedback. The attached BYLAWS reflect the feedback received from Board discussion, most notably, 1) the addition of LAC membership to better reflect all stakeholders ability to participate and 2) language to increase significant efforts for LAC membership to reflect our school population (see attached BYLAWS).

RECOMMENDATION: Seek Board approval of 2021-22 BYLAWS January, 2022.

2. LAC COLLABORATION EFFORTS.

>**District.** Along with **Superintendent Dr. Stacie Stanley**, the LAC has also begun to work directly with designated lead, **Jeff Jorgenson, Director of Student Support Services** and with the **District communications team**. For LAC communications, work to restructure communication efforts has begun.

>**AMSD.** AMSD presented its 2022 Education Legislative Platform to state representatives across the Metro on Friday, January 7. Superintendent Stanley, Julie Greene, Dan Arom and State Representative Heather Edelson were in attendance.

>**Legislators.** The LAC is planning efforts for the Board, district, students and community members to be included. A **Pre-Legislative Meeting with State Reps** has been planned for **January 24, 2022 @ 1:00pm**. More information to follow.

Please note, the 2022 Legislative Session will be virtual due to COVID precautions. This change in format impacts opportunities for how our LAC can participate (i.e., AMSD will not host their annual Day at the Capitol in March).

RECOMMENDATION: Information only.

3. 2022 LEGISLATIVE PLATFORM. The attached 2022 Legislative Platform is for Board review and approval. These priorities were drafted by the LAC steering team using important resources including the district's Board-approved 2019-2020 LAC platform, District feedback, AMSD (Association of Metropolitan School Districts) 2022 platform and conversations with current legislators. As there are many issues and concerns for our stakeholders and district, please note that these priorities were identified for recommendation because of their natural alignment with the upcoming legislature session starting January 31. Please see the 3-Year LAC Plan (included below) for more information.

Reference: Association of Metropolitan School Districts 2022 Legislative Platform
<https://www.amsd.org/wp-content/uploads/2021/12/2022PLATFORM.pdf>

RECOMMENDATION: Seek Board feedback and approval on 2022 Legislative Priorities.

4. 3-YEAR LAC Plan (2022-2025) Overview. To best meet goals and manage initiatives for the LAC, we are recommending an approach that builds and develops strong and impactful infrastructure to the advocacy work on behalf of the district over the next several years.

Year 1: Focus on Rebuilding LAC Foundation

- Develop and strengthen legislator relationships and connections with LAC leads (Board Members, Superintendent, Admin Lead) to advance legislative priorities on behalf of the District and support ongoing efforts for collaboration.
- Build a strong communication base (logistics) for information sharing and outreach.
- Welcome students and the Edina community to participate in planned LAC efforts, as possible, within the virtual format of the legislation session.

Year 2: Focus on LAC Expansion

- Develop LAC Steering committee to include students and community members at the start of the school year.
- Continue ongoing efforts from Year 1.

Year 3: Focus on LAC Leadership

- In addition to ongoing efforts from Year 1 and Year 2, identify potential leadership opportunities for LAC members through partnerships and relationships with legislators.

RECOMMENDATION: Seek feedback from the Board on a 3-Year Plan for LAC.

Thank you. Please let us know if you have any questions.

Julie Greene

Dan Arom

BYLAWS of Edina Public Schools Board Legislative Action Committee

ARTICLE I: BOARD LEGISLATIVE ACTION COMMITTEE

The name of this organization will be the Edina Public Schools Board Legislative Action Committee (LAC). The LAC will assist the Edina Public Schools District (District) with various levels of advocacy efforts throughout the District. These bylaws pertain to the LAC as stipulated in the LAC Project Charter and approved by the Board.

ARTICLE II: PURPOSE

The purpose of the LAC is to assist the Edina Public Schools' School Board and EPS District Administration in advocacy for education-related legislation. The LAC coordinates these advocacy efforts throughout the District by supporting, and advocating for Board-approved legislative positions designed to advance the cause of excellent schools in Edina and Minnesota.

The activities of the LAC are subject to Board approval. To fulfill this purpose, the LAC's activities may include, but will not be limited to, the following: soliciting information on legislative activity that might affect the District; developing a work plan for advocacy of the approved positions; communicating with elected officials and running public informational events to assist the Board in increasing awareness of legislative issues throughout the District; communicating to the Board on a regular basis as to the progress of the LAC's work; and advocating at the local, state, and federal levels those positions identified by the LAC and approved by the Board.

ARTICLE III: POLICIES

A. LAC meeting dates and advocacy efforts will be available to the public on the District website.

B. The LAC will carry out its responsibilities as outlined in the LAC Policy on Membership and Conduct.

ARTICLE IV: MEMBERSHIP

A. All LAC members will abide by the LAC Policy on Membership and Conduct, which is part of these bylaws. All members of the LAC must sign the Policy on Membership and Conduct annually. All members must live in the District or have a student(s) currently enrolled in the district. Service on the LAC is a one-year commitment.

ARTICLE V: OFFICES AND DUTIES

A. Chair and Vice-Chair: One Board member will serve as chair of the LAC. The Board will designate a Vice-Chair who can be either another Board member or a community member of the LAC. ***ALL Board member designees serve at the discretion of the Board.*** The Chair, in collaboration with the Vice-Chair, will create meeting agendas and preside over meetings, communicate on behalf of the Board, generally oversee the activities of the LAC in representing the District and Board in advocacy efforts and serve as Board member liaison to the Association of Metropolitan Districts (AMSD).

B. Edina Public Schools Cabinet Member: At least one (1) designated EPS administrative liaison will serve on the LAC in collaboration with the Chair and Vice-Chair to represent the District in LAC priority development, advocacy efforts and communication efforts.

C. LAC Steering Committee: In addition to the LAC Chair, Vice-Chair and designated District cabinet member, the committee should include a maximum of nine community members and a minimum of two (2) EPS students comprise the Steering Committee. Members of the Steering Committee are selected by the LAC Chair and Vice-Chair for a term of one year. The Steering Committee supports the Board approved legislative platform and fulfills needed functions of the committee as identified by the LAC Chair and Vice-Chair. Responsibilities may include:

- Secretary (Record and distribute meeting minutes)

- Communications (Support and implementation of LAC communication efforts in coordination with the District communications team)

- Event Lead(s) (Organize and plan opportunities for LAC and community members including appearance at Minnesota State committee meetings, meeting and visits with legislators at the

state Capitol, a LAC sponsored event at the District, etc.)

- Bill Tracker(s) (Follow bills through legislative process and provide ongoing updates)

ARTICLE VI: MEETINGS and EXPECTATIONS

A. The LAC meeting expectations include:

1) Planning phase (Sept - December) for LAC Chair, Vice-Chair and EPS Cabinet/ District Liaison includes meetings, as needed.

2) Action phase (Jan-April) for all LAC members will meet monthly, as needed.

In addition, LAC members will be expected to attend legislators meetings at the Capitol, and other advocacy events sponsored by the LAC. Members should be prepared to attend at least one Education Committee hearing in either legislative body or legislative floor debate on a public education bill. In certain instances, an LAC member may be called upon to testify on behalf of Edina Public Schools at a legislative committee hearing.

3) In addition, the Chair may call special meetings, as necessary, to deal with such items as platform development or meetings with legislators.

B. LAC members will prepare for each meeting by reviewing the meeting minutes or agenda materials prior to each meeting, and will keep abreast of local, state, and federal public education issues.

C. Once the Board has approved the positions, priorities and communication guidelines for the LAC to support, each LAC member will agree to have his/her name included, as a member of the LAC, in any communications pertaining to those positions and priorities that are sent out on behalf of the LAC. This may include media outreach, letters to legislators or other elected officials.

D. Each LAC member must uphold and support the positions and priorities approved by the Board when communicating as a member of the LAC.

E. Members are asked to contact the Chair or Vice-Chair if unable to attend a meeting or event.

ARTICLE VII: AMENDMENTS

A. The Board needs to approve all actions of the LAC including amendments to these bylaws.

LAC Policy on Membership and Conduct

A. The LAC welcomes members of all backgrounds and identities. This includes, but is not limited to, members of any sexual orientation, gender identity and expression, race, ethnicity, culture, national origin, social and economic class, educational level, color, immigration status, sex, age, size, family status, political belief, religion, and mental and physical ability.

B. Significant attempts will be made to have committee membership reflect the demographic profile of the Edina Public Schools District (District). All members must live in the District or have a student(s) currently enrolled in the District.

C. The LAC will include up to two (2) Edina School Board members appointed by the Board, one District Cabinet Member/EPS Administrative liaison and should include a minimum of two (2) Edina Public School students.

D. LAC members must have a commitment to the Edina Public Schools' mission and the legislative positions adopted by the LAC and the Board.

E. LAC members must be interested in the legislative process, grassroots advocacy, be willing to compromise, and work well with other members.

F. The LAC will be noncommercial and nonpartisan. To maintain the non-partisan integrity of the LAC, any member who has filed or is a declared candidate for partisan office, or becomes a partisan office holder, or works as paid staff for a partisan campaign or partisan office holder, must resign from the LAC.

G. As a representative of the District, the LAC and its members must maintain a high level of professional conduct, including confidentiality, objectivity, respectful dialogue,

and professional behavior.

H. All members of the LAC must sign the Policy on Membership and Conduct annually.

I. The LAC Chair, with Board approval, retains the authority to deny or dismiss LAC membership to those persons who are in violation of the LAC Policy on Membership and Conduct, Board policies, or the policy and mission of the District.

Signature of LAC Steering Committee Member

Edina Public Schools | 2022 LEGISLATIVE PLATFORM

1. STABILIZE EDUCATION FUNDING

- > Link the basic formula and local optional revenue to inflation to provide a stable and consistent funding stream that allows school boards and administrators to engage in long-range and innovative planning; and
- > Allow locally-elected school boards to renew an existing operating referendum at the same level; and
- > Increase English learner funding to reduce the shortfalls in these important programs.

2. STRENGTHEN AND SUPPORT SPECIAL EDUCATION PROGRAMS

- > Increase special education funding to reduce shortfalls in this important program and fully fund special education to eliminate the cross-subsidy; and
- > Increase funding for the ADSIS program and base funding on the number of students eligible in the district; and
- > Create a special student status for students in intermediate school districts requiring an extraordinary level of care. Increase state funding for these students.

3. ENSURE SAFE, MODERN SCHOOL FACILITIES

- > Increase the Safe Schools levy and state aid to allow school districts and intermediate school districts to hire additional support staff to address the mental health needs of students; and
- > Remove the per-pupil limit and expand allowable uses of Long-Term Facilities Revenue to allow school districts and intermediate school districts to enhance safety through security modifications, remodeling and additions to existing buildings.

4. INCREASE AND DIVERSIFY TEACHER WORKFORCE

- > Remove barriers and provide incentives to address the shortage of substitute teachers, school bus drivers, paraprofessionals, and other staff;
- > Continue to expand programs and incentives to attract, develop and retain teachers of color; and
- > Maintain multiple pathways to licensure in the tiered licensing system.