



# THE DISTRICT DISPATCH

JUNE 2023  
SCHOOL  
DISTRICT 197  
**BUDGET  
UPDATE**

## From the Superintendent

Another amazing school year just wrapped up in School District 197, and we're already looking ahead to the 2023-2024 school year and beyond. Right now, we're finalizing our budget for the upcoming school year, which will go into effect at the beginning of the fiscal year on July 1.

In this special budget edition of our print newsletter, we're sharing updates and insights into our budget planning, the anticipated impact of this year's legislative session, financial priorities, and how we're working to maximize resources for the benefit of our students, staff and the entire school community.

Thank you for your ongoing support as we strive to provide the best educational experience for every student in our district. Together, we thrive.

Peter Olson-Skog  
Superintendent





# Budget Update

## GRATEFUL FOR EDUCATION INVESTMENTS, YET COSTS OUTPACE FUNDING

The 2023 Minnesota legislative session will provide additional investments in our schools, and we are grateful for the support of public education.

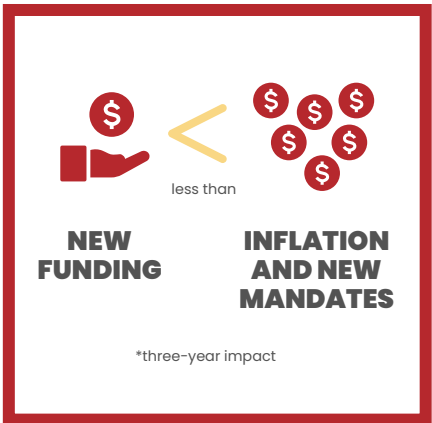
However, it's important to recognize that decades of underfunding cannot be resolved by a single two-year budget. Despite the additional funds, school districts have been making difficult cuts for years, and the impact of inflation and unfunded mandates is estimated to absorb any additional funding provided by the state.

### NET IMPACT OF NEW FUNDING, INFLATION, AND NEW MANDATES

2022-2023	2023-2024	2024-2025
\$2 million net loss	\$1.5 million net gain	\$600,000 net loss

THREE-YEAR IMPACT: **\$1.1 MILLION NET LOSS**

- The district's budget is approximately \$85 million. Due to inflation, we expect costs this year to exceed revenue by about \$2 million. Funding this year from the state was increased by 2 percent, and inflation was 6.2 percent.
- Next year, we expect to receive an additional \$5 million from the state. However, between new mandates and inflation to provide the same programming, we expect costs to go up by about \$3.5 million. That equals a net gain of \$1.5 million. This will help catch us up from the previous year but will still leave us a deficit of \$500,000.
- In 2024-2025, we expect to receive an additional \$1.1 million for our budget. With inflation projected to return to normal levels, costs are expected to increase by \$1.7 million. Unfortunately, funding falls short of inflation again and leaves a deficit of \$1.1 million from 2023 through 2025.



**Once a top state in funding education, Minnesota has now slipped to 30th place in per-student education spending.\***

\*Gilligan, C. (2022, August 26). Which States Invest the Most in Their Students? *U.S. News & World Report*.

### RIISING EXPENSES IN EDUCATION



#### BUSES

In 2018, we paid \$94,000 to purchase a bus. A bus purchased today costs us \$135,000.



#### UTILITIES

Utilities have increased 30% over the last four years.



#### CURRICULAR MATERIALS

Costs have more than doubled in the last five years.

# Optimizing Resources for Student Success

We work hard to be financially responsible on behalf of our students and our community. Our goal is to maintain the academic excellence our community expects and our students deserve while always being mindful of and sensitive to the concerns of our taxpayers.

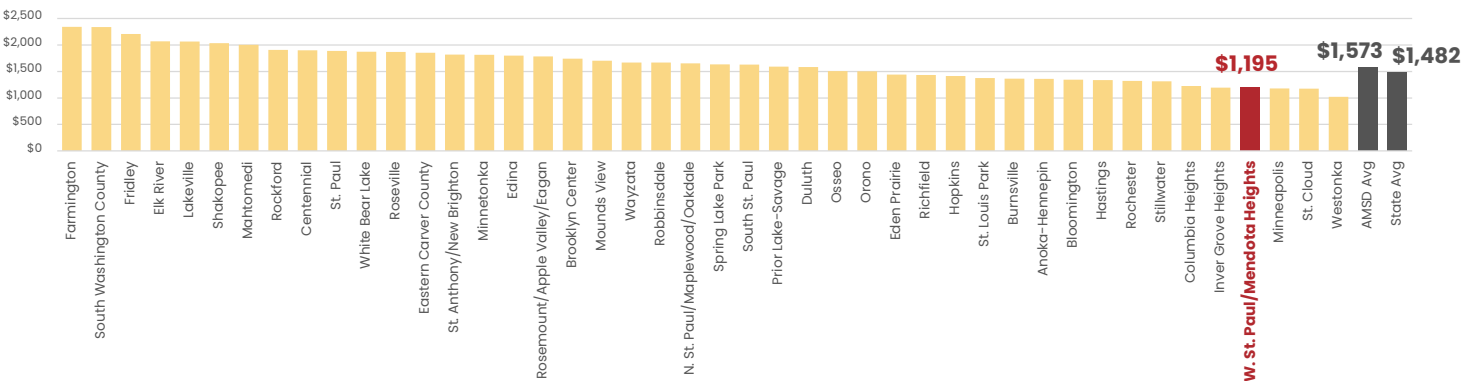
As illustrated below, for a home value of \$350,000 (the average home value in our school district), School District 197 has lower total school property taxes than most districts in the Twin Cities. Of the 44 school districts that are a part of the Association of Metropolitan School Districts in the Twin Cities, School District 197 ranks #41 in total school property taxes.



## Total School Property Tax: A Comparison

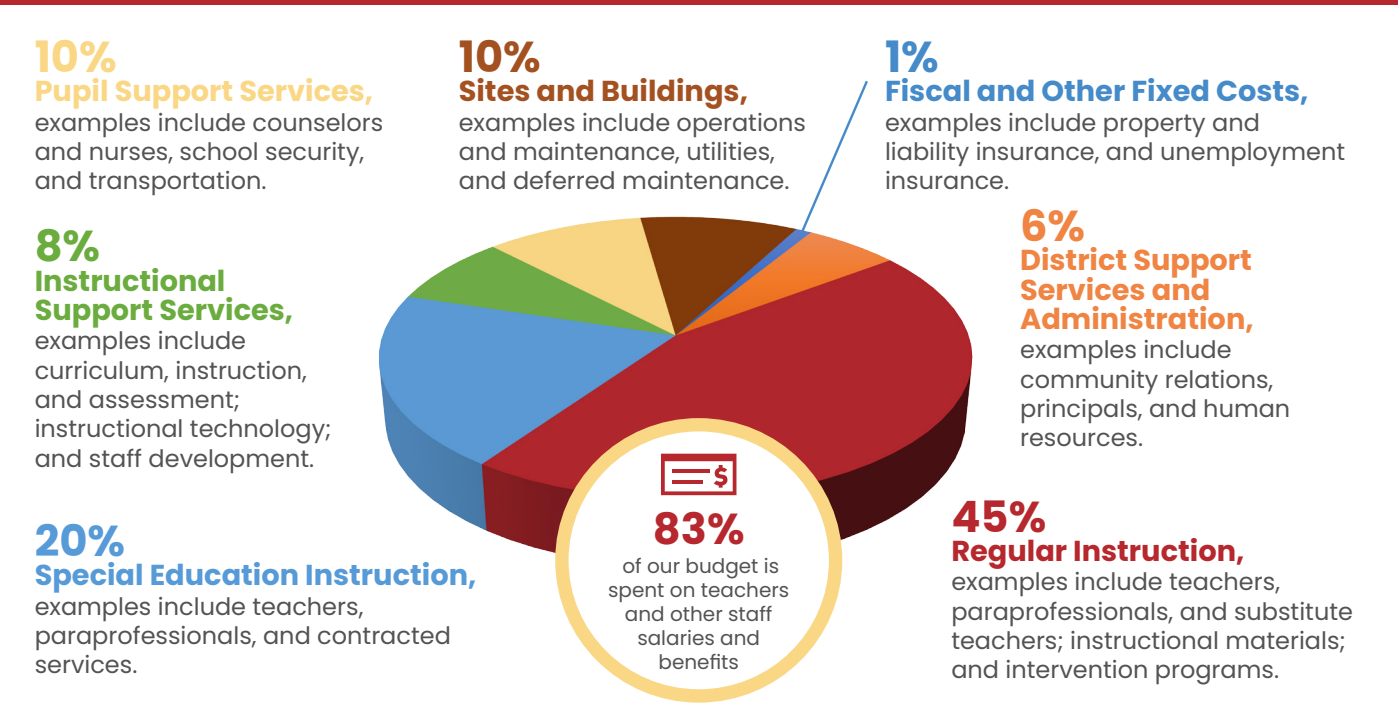
For a Home Value of \$350,000

Source: Pay 2022 School Tax Report



## GENERAL FUND EXPENSES BY PROGRAM

From instructional materials and technology advancements to faculty salaries and facility maintenance, how a school district spends money directly impacts the quality of education and overall student experiences. Here's a look at our general fund expenses by program type:



**NOTE** | We spend one-third less than the metro average on all forms of administration costs—things that students don't directly see. And the money we save is money we put into the classrooms.

## SCHOOL DISTRICT 197

West St. Paul + Mendota Heights + Eagan Area

1897 Delaware Ave.  
Mendota Heights, MN 55118

[isd197.org](http://isd197.org)

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# The Budget in Action: Investing in College and Career Readiness

At Two Rivers High School, students are getting a head start on their career paths with hands-on, immersive learning experiences. Through the TriDistrict CAPS (Centers for Advanced Professional Studies), students gain exposure to different career fields and prepare for the workforce or college education—while still in high school.

TriDistrict CAPS is a program of the TriDistrict Career and College Readiness Initiative, a partnership between the school districts of South St. Paul, Inver Grove Heights, and School District 197. This collaborative partnership ensures juniors and seniors in the program graduate with a plan for their “next step” and have the knowledge, skills,

and experiences to be successful wherever their chosen pathway takes them. Nearly 120 students are participating in internships across 40 local business partners this year.

“One of our goals is to fast-forward kids into authentic experiences to learn what they might want to do in the future,” says Ben Kusch, Director of TriDistrict CAPS. “It’s a place where students can work alongside employees of local businesses, dip their hands into whatever field they are interested in, and decide if they like that career.”

The photos below show students in the Certified Nursing Assistants Program and Computer Science class.



**We are only  
one of seven  
programs like  
this in Minnesota  
and 95 across  
the world.**

