

**INDEPENDENT SCHOOL DISTRICT NO. 625**  
**Saint Paul, Minnesota**  
**COMMITTEE OF THE BOARD MEETING**  
**Administration Building**  
**360 Colborne Street**

**April 12, 2016**  
**4:30 PM**

**A G E N D A**

**I. CALL TO ORDER**

A. Introductions

**II. AGENDA**

A. FY 2016-17 Budget Update

1. Introduction

2. Presentation

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3. Discussion

4. Action (TBD)

B. FMP Update

1. Introduction

2. Presentation

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3. Discussion

4. Action (TBD)

C. Standing Item: Policy Update

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D. Standing Item: PLTT Update - No Report

E. Standing Item: SSSC 2.0 Update - No Report

**III. ADJOURNMENT**



# FY17 General Fund Budget Update

Committee of the Board  
April 12, 2016

Marie Schrul  
Chief Financial Officer



# Purpose

To provide an update on the FY 2016-2017 General Fund budget to the Committee of the Board

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# Agenda

- Framing the discussion: *Strong Schools, Strong Communities 2.0*
- FY 2016-17 Budget Guidelines
- General Budget Information
- Other Influencing Factors
- FY 2016-17 General Fund Big Picture
- Staffing the Schools
- FY 2016-17 Budget Adoption Schedule
- Community Engagement Information
- Board Action – Approval of Recommendations

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# *Strong Schools, Strong Communities 2.0*

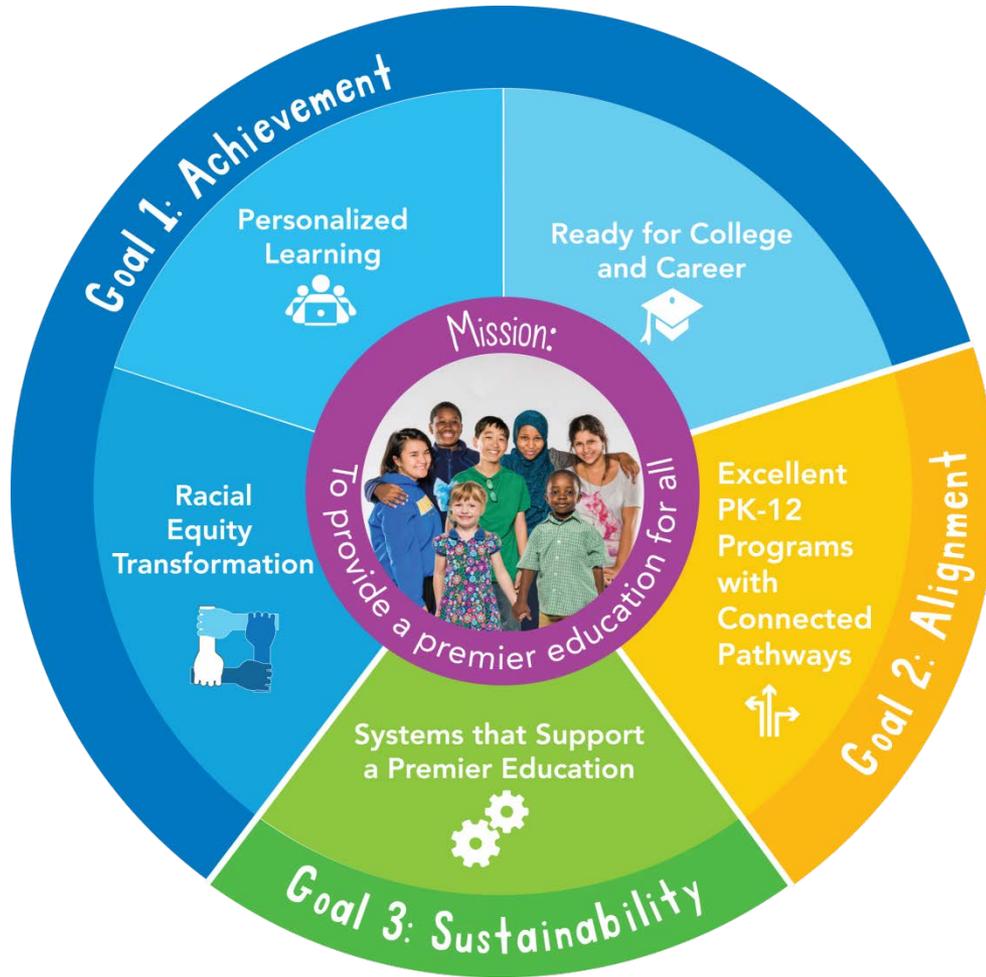
**Goal 1: Achievement** for all students

**Goal 2: Alignment** of school programs

**Goal 3: Sustainability** to optimize classroom resources and academics



# SSSC 2.0 Focus Areas



## Focus Areas

- Racial Equity Transformation
- Personalized Learning
- Ready for College and Career
- Excellent PK-12 Programs with Connected Pathways
- Systems that Support a Premier Education



# FY 2016-17 Budget Guidelines

- SSSC 2.0 Plan is first consideration in funding.
- Class size ranges will determine teacher FTEs.
- Budget built on current laws.
- Blended Site-Based and Centralized funding method will be used for schools.
- A table detailing the average salary and benefits will be provided for budget preparations.
- **The budget should maintain an unassigned fund balance of at least five percent (5%) of the general fund expenditures in accordance with the BOE policy.**
- Non-School programs will be reported into three (3) categories: Central Administration, District-wide Support, and School Service Support.
- Fully Financed budgets with anticipated revenues and expenditures over \$500,000 for the 2016-2017 school year will be included in the Adopted budget.
- The FY 2016-17 budget must be approved by the Board of Education by June 30, 2016.

The Adopted budget will be published on the Business Office website (<http://businessoffice.spps.org/2016-17>).

# General Budget Information

- FY 2016-17 General Fund revenue is projected to decrease by 4.6m (CompEd, Enrollment)
- The budget meets required contractual obligations
- All schools do not receive the same amount of money per pupil because:
  - Some school funding is categorical (it has specific criteria on its spending)
  - Funding for Comp Ed and Title I follow the students on a one year delay (previous year's Oct 1 count)
  - Higher poverty schools have greater access to categorical dollars than lower poverty sites
- School enrollment affects the dollars allocated

∞



# Other Influencing Factors

- 3<sup>rd</sup> quarter projections impact fiscal year end fund balance
- Enrollment fluctuations impact revenue, class size and building capacity
- Contractual settlements impact expenditure levels
- Legislative adjustments impact revenue
- Previous year's October 1 Free & Reduced lunch count impacts revenue
- Bond ratings

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# FY 2016-17 General Fund Preliminary Big Picture

	FY16 Adopted (in millions)	FY17 Preliminary (in millions)	Difference	% Change
Revenue	\$522.8	\$518.2	\$ (4.6)	(0.88%)
Use of Fund Balance	2.5	0	(2.5)	(100.0%)
Expenditures	525.3	533.3	(8.0)	(1.50%)
Balance	\$0	(\$15.1)		



# FY 2016-17 General Fund Factors Impacting Shortfall

Item	Amount \$M
Projected Shortfall (as of 1/19/16)	(\$9.3)
Contractual commitments	(3.5)
Compensatory Revenue decrease	(1.1)
Gen Ed Revenue decrease (2/29 Projected enrollment)	(1.2)
<b>Total Shortfall</b>	<b>(\$15.1)</b>

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# FY17 Proposed General Fund Big Picture – Expenditures

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Area	FY16 Adopted	FY17 Proposed	Change	Percent Change
Schools	\$253,330,183	\$246,318,621	(\$7,011,562)	(2.77%)
School Service Support	175,987,186	178,608,175	2,620,989	1.49%
District-wide Support*	91,793,916	89,347,274	(2,446,642)	(2.67%)
Central Administration	4,154,590	3,906,370	(248,220)	(5.97%)
<b>Total</b>	<b>\$525,265,875</b>	<b>\$ 518,180,440</b>		





# FY17 Proposed General Fund Budget Reductions of Central Administration Programs

Program Category	FY16 Adopted	FY17 Proposed	Reduction Amount	Reduction %	Inflation Amt Not Allocated	% Total Reduction
Central Administration	\$4,154,590	\$3,906,370	(\$248,220)	(5.97%)	(\$73,742)	(7.8%)

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- Board of Education
- Superintendent’s Office
- Chief Executive Officer
- Chief Academics Officer
- Chief of Operations
- General Counsel
- Office of Elementary and Secondary Education
- Chief of Engagement



# FY17 Proposed General Fund Budget Reductions of District-wide Support Programs



Program Category	FY16 Adopted	FY17 Proposed	Difference Amount	% Change	Inflation Amt Not Allocated	% Total Change
District-wide Support	\$91,806,591	\$89,347,274	(\$2,446,642)	(2.67%)	(\$1,311,404)	(4.1%)

- Finance
- ↳ • Enterprise Resource Planning
- Office of Equity
- Out for Equity
- Multicultural Resource Center
- Family & Community Engagement

- Communications
- MIS
- Human Resources
- Research & Evaluation
- Referendum Technology
- Technology Infrastructure
- Operations & Maintenance

- Grounds
- Custodial
- Safety & Security
- Facility Planning/Leases/Health & Safety
- Employee Benefits
- Insurance
- Utilities





# FY17 Proposed General Fund Budget Reductions of School Service Support Programs

Program Category	FY16 Adopted	FY17 Proposed	Reduction Amount	Reduction %	Inflation Amt Not Allocated	% Total Reduction
School Svc Support	\$175,987,186	\$178,608,175	2,620,989	1.49%	(\$2,678,069)	(0.01%)

- Student Placement
- Indian Education
- Valley Branch
- Am Indian Studies
- TDAS
- MLL
- Substitutes
- Athletics
- Pre-K Support

- Referendum Family Ed
- School to Work
- Special Education
- Third Party Reimb.
- Instructional Services
- Staff Development
- Leadership Development
- Achievement Plus
- Career in Education

- Counseling/Guidance
- OCCR
- Student Wellness
- Attendance Action Ctr
- Alt to Suspension
- Transportation
- Referendum – PLTT
- Peer Assistance/Review





# FY17 General Fund Recommendations to Address Projected Shortfall of **\$15.1 million**

Description	Amount (\$M)
Eliminating the proposed 2017 contribution to the Other Post Employment Benefits (OPEB) trust	1.0
No annual inflationary increases for departments	4.1
Eliminating job-embedded PD at <b>non-Priority elementary, K-8 and 6-8 sites</b>	7.5
Targeted departmental and central administration staff and program adjustments	2.7
Offering an early retirement incentive	<u>2.5</u>
<b>Total</b>	<b>\$17.8</b>





# Staffing the Schools

Funding for SSSC 2.0



# SSSC 2.0 Class Size Ranges Higher Poverty Sites

Grade	FY17 Target Ranges
Pre-K	20
KG	20 – 24
1 – 3	22 – 25
4 – 5	25 – 28
6 – 8	29 – 33
9 - 12	30 - 35

Higher Poverty threshold is the top 30 schools per the teacher's contract

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# SSSC 2.0 Class Size Ranges Lower Poverty Sites

Grade	FY17 Target Ranges
Pre-K	20
KG	22 - 26
1 – 3	22 – 27
4 – 5	25 – 29
6 – 8	29 – 35
9 - 12	30 - 37

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# FY2016-17 Site Staffing Criteria

## Site Configurations

- Pre-K – 5
- K – 8
- Dual Campus
- 6 – 8
- 6 – 12
- 9 - 12

## Staffing Categories

- Principal
- Assistant Principal
- Administrative Intern
- Teachers
- Clerks
- Counselors
- Library Media Specialists
- Nurses
- Social Workers
- Psychologists
- MLL Teachers
- Library Support (EA or TA)
- SSSC 2.0 Site Staff for Program Articulation

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# FY 2016-17

## Budget Adoption Calendar

Date	Description
November-December 2015	Community budget presentations (Introduction to School District Finance & SPPS Budget)
November – February 2016	FY 2016-17 budget planning meetings (Supt, Asst Supts, Finance, Cabinet, Program Administrators, Principals)
December 15, 2015	SPPS Board of Education Certifies Pay 16 Levy for FY 2016-17
21 January 2016	FY 2016-17 Revenue & Expenditure Projections
February 2016	SPPS Hyperion (new budget planning system) Go Live
February 5, 2016	REA Office provides preliminary FY17 enrollment projections
February 29, 2016	REA Office provides final FY17 enrollment projections to Finance
March 7, 2016	Presentation to District leadership at Cabinet meeting





# FY 2016-17

# Budget Adoption Calendar

Date	Description
March 8, 2016	Presentation of the FY 2016-17 Preliminary General Fund budget to the Committee of the Board
April 13-15, 2016 Tentative dates	Distribute school allocations Distribute General Fund program allocations
April 18 – April 29, 2016	Joint budget & staffing meetings (Principals, Human Resources & Finance)
April 14-June 21, 2016	Community engagement budget presentations
April 29, 2016	School budgets returned Program budgets returned HR Staffing worksheets due
June 21, 2016	FY 2016-17 Budget adopted by Board of Education

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# Engagement Information

- Principal toolkit includes:
  - Allocation worksheet with directions and supporting documentation
  - Talking Points
  - Powerpoint draft that can be tailored to site to use with staff and community
  - Budget Video
- Business office website ([businessoffice.spps.org](http://businessoffice.spps.org))
  - FAQ & who to contact
  - Board presentations posted in Budget section
- Community meetings scheduled through Office of Family & Community Engagement (dates on next slide)

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# Community Engagement Meetings

Date	Group	Location
April 14	Budget Breakdown Information Session	360
April 16	Budget Breakdown Information Session	360
April 14- June 21	School Based Budget Meetings	School Sites

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# Questions?



# FY17 General Fund Recommendations to Address Projected Shortfall of **\$15.1 million**

## Requested Action – Approval of Recommendations



Description	Amount (\$M)
Eliminating the proposed 2017 contribution to the Other Post Employment Benefits (OPEB) trust	1.0
No annual inflationary increases for departments	4.1
Eliminating job-embedded PD at <b>non-Priority elementary, K-8 and 6-8 sites</b>	7.5
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Offering an early retirement incentive	<u>2.5</u>
<b>Total</b>	<b>\$17.8</b>



# Facilities Master Plan: 5-Year Implementation Plan

Committee of the Board of Education

April 12, 2016

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# Agenda

- April 26, 2016 BOE Action Items
- Facilities Master Plan Recap
- Five-Year FMP Implementation Plan
- Review of Funding Considerations
- Next steps

# Board Actions: April 26, 2016

## Action 1 - Motion:

- Relocate RiverEast Elementary and Secondary program from Homecroft to another site by 2017-2018 school year
- Relocate Jie Ming Mandarin Immersion Academy from Hamline building to Homecroft for 2017-2018 school year

# Board Actions: April 26, 2016

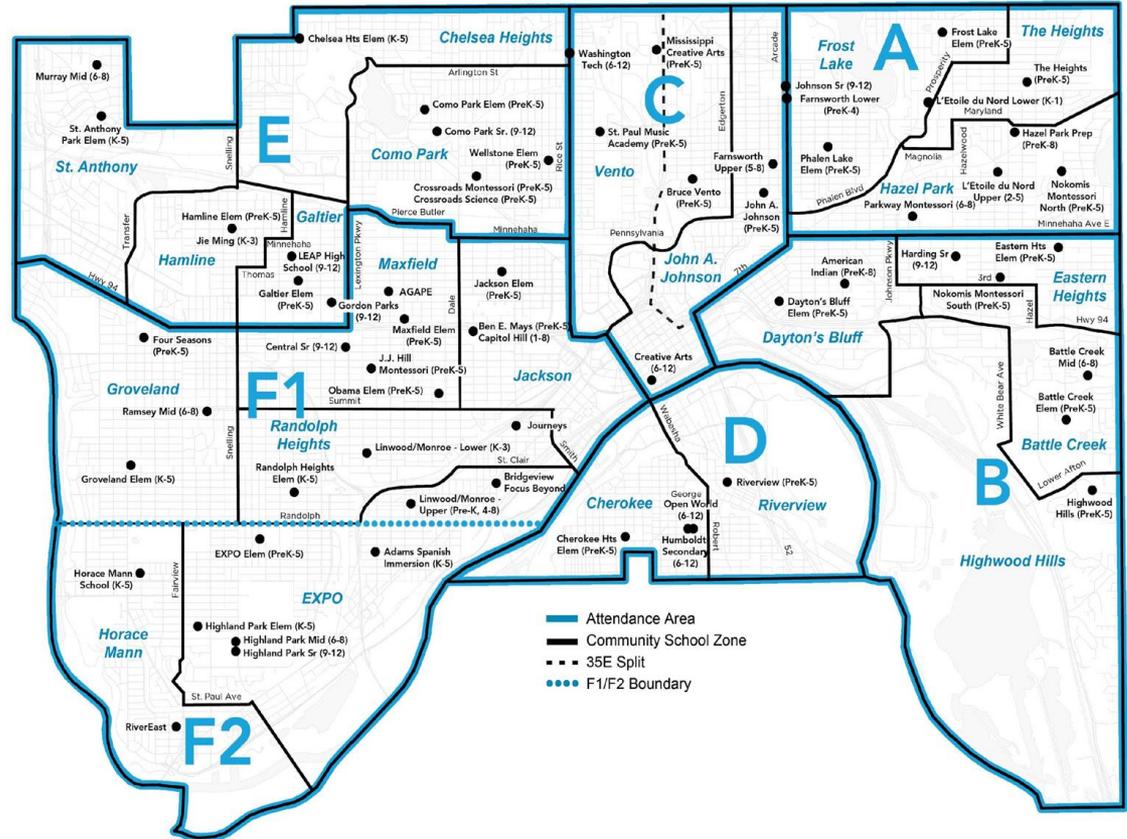
- Action 2 - Resolution:
  - “Construction of a New Middle School in Area A”
- Action 3 - Resolution:
  - “2016 Five-Year Facilities Maintenance and Capital Implementation Plan, Covering Fiscal Years 2017-2021”

# Facilities Master Plan: Aligning facilities to school program needs



# Saint Paul Public Schools

- 72 facilities
- 7.3 million square feet of space
- 465 acres of land



# Facilities Master Plan (FMP)

- **10-year strategic plan** addresses facility improvements:
  - Equitably
  - Efficiently
  - Cost-effectively
- Student-centered: Addresses **21st century learning needs**



# Evolution of Learning Needs

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Randolph Heights, 1960s  
Note: 34 students in this picture



Randolph Heights, 2015  
Note: 26 students per class, on average



# Remodeling facilities to meet program needs

35

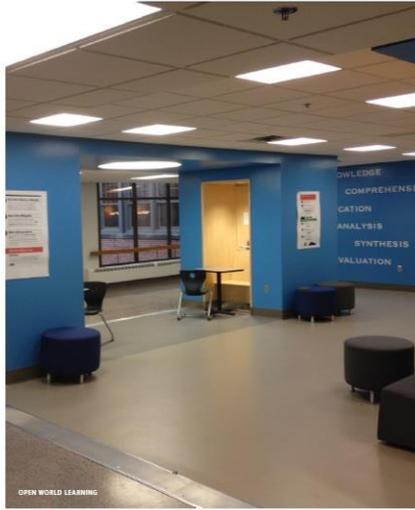


**Creative Arts - 2013**  
Unused swimming pool



**Creative Arts - 2015**  
Performance/gathering space





## Varied Space



## Outdoor Learning Settings



## Clear Main Entry



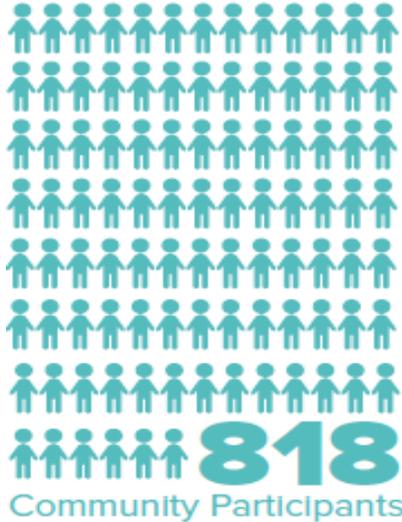
## Daylighting and Views



# FMP Engagement

"I felt as though I made a difference and had an opportunity to voice my opinions."

- Student participant



**200**

FMP Survey responses



**48**

Presentations to school groups



**75**

Steering and FMP Committee members



Attendee Participation Workshop Hours



# FMP Engagement



# Five-Year FMP Implementation Plan



# FMP 5-Year Implementation Plan

## 2016 Five-Year Facilities Maintenance and Capital Implementation Plan

- Based on BOE resolutions (Nov. and Dec. 2015):
  - Five-Year Facilities Maintenance and Capital Implementation Plan
  - Long Term Facilities Maintenance and Improvement Investments
  - Criteria for the Prioritization of Facility Improvements for Saint Paul Public Schools, District 625, to Create 21st Century Schools
- Covers FY:2017-2021, is updated every year with the assistance of **FMP Committee**
- Exhibit A: Project list; without middle school
- Sets strategic direction, but does not provide funding

# FMP Committee - Ongoing Role

- Broad cross-section of SPPS stakeholders
  - Students, parents, teachers, administrators, neighborhoods, city staff, county staff, community partners, local business community, etc
- Role of the Group
  - Uphold the Vision, Principles, and Standards of the FMP
  - Review factors that may impact FMP criteria
    - Enrollment and demographic updates
    - Educational pathway / program changes
    - Technology advances
    - State or federal law changes, grant opportunities
  - Annually update the 5-Year Implementation Plan based on that review

# April 26 vs. August BOE actions

- **April 26** - BOE Regular meeting
  - Vote on FMP 5-year **Implementation Plan**
  - List of proposed school facility work scopes
- **August:** BOE determines **financial commitment** to 5-year plan
  - Levy amount set for FY2018
  - Levy ceiling includes more than just facilities
  - Bonds sold in May; Levy process is Sept. - Dec.
- **April 2017:** Review approval of next 5-year rolling facility plan

# Facility considerations

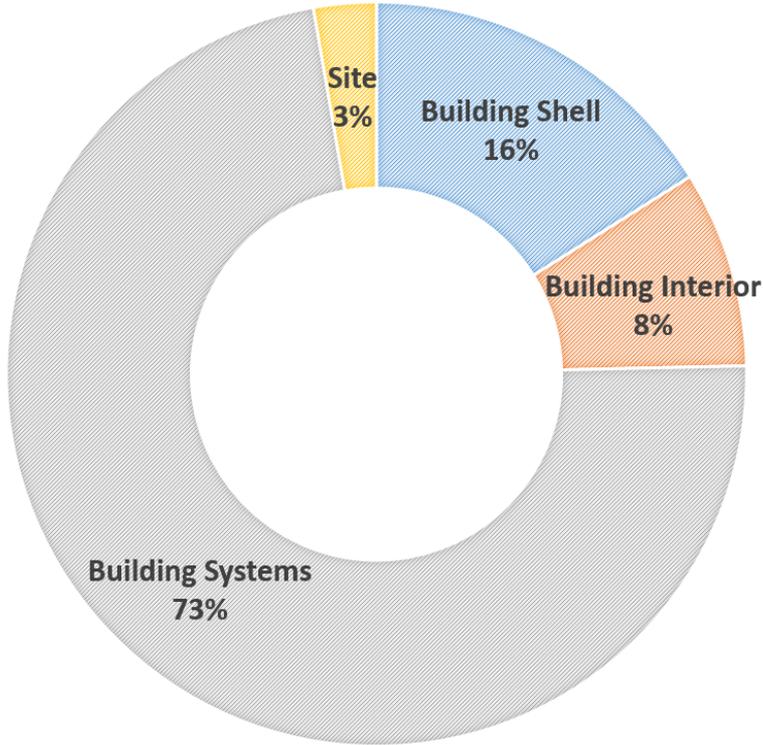
- Pursue projects with impact & economy
- Review delivery model (e.g. self-performing more work)
- Selectively delaying certain actions is prudent
  - Not everything can happen in the first five years

# Summary Highlights

- Build first K-12 school in 20 years
- Comprehensive, coordinated program supports
- Focus on critical building systems, particularly those inefficient to maintain and operate
- Appropriate instructional technology in every learning space within 5 years
- Baseline level of cameras and physical security infrastructure within 2 years
- Coordinated use of Capital and LTFM funding



# Proposed Existing Building System Work



- Proposed work at 61 sites total
- Data sets:
  - 2009 Facilities Condition Assessment (FCA)
  - 2015 FCA Update
  - 2015 Energy Use Intensity Data
  - 2015 Indoor Air Quality sampling (prelim)
  - Tririga SPPS Trades' Effort Reporting
  - 2012 Pavement Maintenance Report
  - Misc. Reports / Analyses

# Proposed Major Building Renovation

Right-sizing buildings and programs, with a commitment to the **quality environments** demanded by the **FMP Vision, Principles, and Standards**, indicates a need for major renovation at:

- Adams Spanish Immersion
- American Indian Magnet School
- Barack & Michelle Obama
- Cherokee Heights
- Como Park Senior High School
- Farnsworth Aerospace Lower Campus
- Frost Lake
- Highland Park Elementary
- Horace Mann
- Humboldt
- Linwood Monroe Arts Plus - Lower
- St. Anthony Park



# Permanent Construction

In accordance with FMP Standards, portable classrooms will be replaced by high quality permanent learning environments at:

- Adams Spanish Immersion
- Como Park Senior High School
- Farnsworth Aerospace Lower - Demo complete
- Highland Park Elementary
- St. Anthony Park



# Proposed Select Capital Improvement

- **Gordon Parks:** Additional Learning Space + Core
- **Hamline Elementary:** Entry
- **Homecroft:** Jie Ming Renovation
- **Highland Complex:** Cafeteria + Circulation
- **Mississippi Creative Arts:** Improvements to heating plant
- **Ramsey Middle School:** Entry + Learning Spaces
- **District Service Facility:** Central kitchen + office improvements

# Proposed Athletic Capital Improvement

- **Washington Technology Magnet**
  - New multi-sport, competition quality, artificial turf field and amenities
- **Como Park Senior High School**
  - New artificial turf field + lights
  - New softball / baseball dugouts
- **Johnson High School**
  - New athletic field lights
- **Highland Park High School**
  - New artificial turf field
  - New softball / baseball dugouts



# Other Significant Work

- **Johnson Senior:** Mechanical system upgrades + learning & office space renovation
- **Bruce Vento:** Mechanical system upgrades + learning space renovation
- **Linwood Monroe - Upper:** Mechanical system upgrades + learning space renovation
- **Wellstone:** Mechanical & other existing system upgrades
- **The Heights:** Mechanical & other existing system upgrades
- **Farnsworth Upper:** Mechanical & other existing system upgrades
- **Harding:** Electrical system upgrades and roofing replacement

# Delayed Action: Post 5-year time table

## High Prioritization but prudent delay:

- Battle Creek Elementary
- Eastern Heights
- Four Seasons
- JJ Hill
- Mississippi
- Randolph Heights

## Major building systems revamp needed:

- Central High School
- Hazel Park
- Rondo Complex
  - Benjamin E Mayes
  - Capitol Hill

# Funding Considerations



# Financial Analysis: Background

- Costs incorporate 3% inflation per year
  - Review of Consumer Price Index (CPI) and Construction Cost Indices (CCI) over last 10 years, projecting conservatively
- Budgets change as project scopes refined and construction costs fluctuate:  $\pm 5\%$  in Year 1;  $\pm 20\%$  in Year 5
- 5-Year plan approval does not authorize sale of bonds/levy to fund work but is **dependent** on these actions which may increase taxes

# 2017 - 2021: Total facilities investments

# ±\$484 million

**Includes new construction, major repair / replacement, abatement, and renovation.**

Value includes estimated cost inflation over the next five years.



# Financial Analysis: Taxpayer Impact

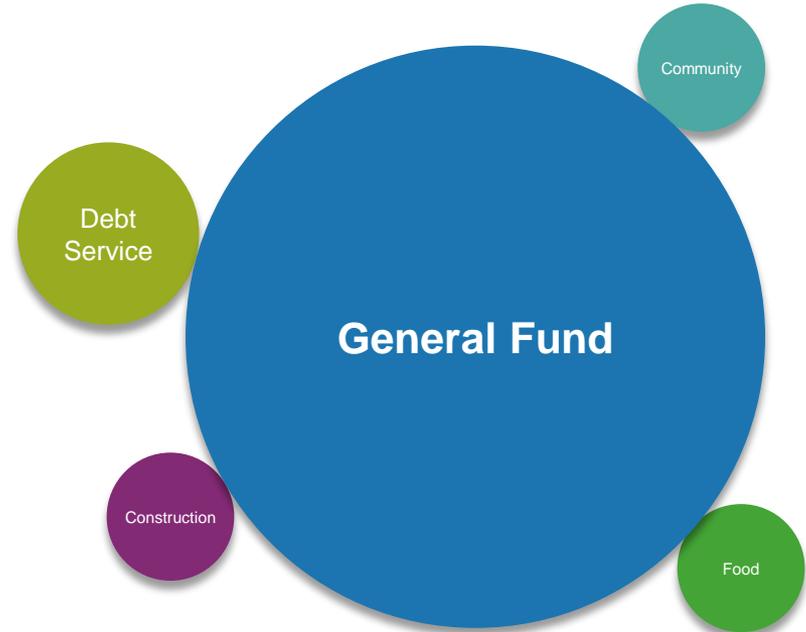
- Median Home Price in St. Paul = \$151,500
- Implementation of this 5-Year FMP Plan is expected to increase the median home's taxes by approximately **\$30 each year**.
  - This analysis does not factor in the proceeds from the sale of 900 Albion, grant, or rebate opportunities.
- Facilities and Business Office staff will continue to work with Springstead on minimizing taxpayer impact.
  - A detailed presentation of funding strategies and taxpayer impact will be part of 4/26 Board of Education meeting.

# Building Construction Funds

**TOTAL SPPS 2015-16 BUDGET: \$697,800,000**

The budget is made up of the following categories:

- General Fund (\$562.2M)
- Debt Service (\$55.8M)
- Building Construction Funds (\$27.4M)
- Food Service (\$25.7M)
- Community Service (\$26.7M)



# Building Construction Funds

- Maintain, improve, remodel buildings and land
- **By law, cannot be used for other funding categories:**
  - Example: General Fund (pays for teacher salaries, transportation, teaching/learning needs, etc.)
- Increases to Building Construction Funds **do not decrease** General Fund

# Building Construction Funds

- Funds from bonds sale, capital loans, or Long Term Facilities Maintenance Revenue (including levies)
- SPPS used bonds every year since 1994 to pay for facilities
- April 26 BOE vote includes 5 years of facility projects:
  - New middle school
  - Many other school projects

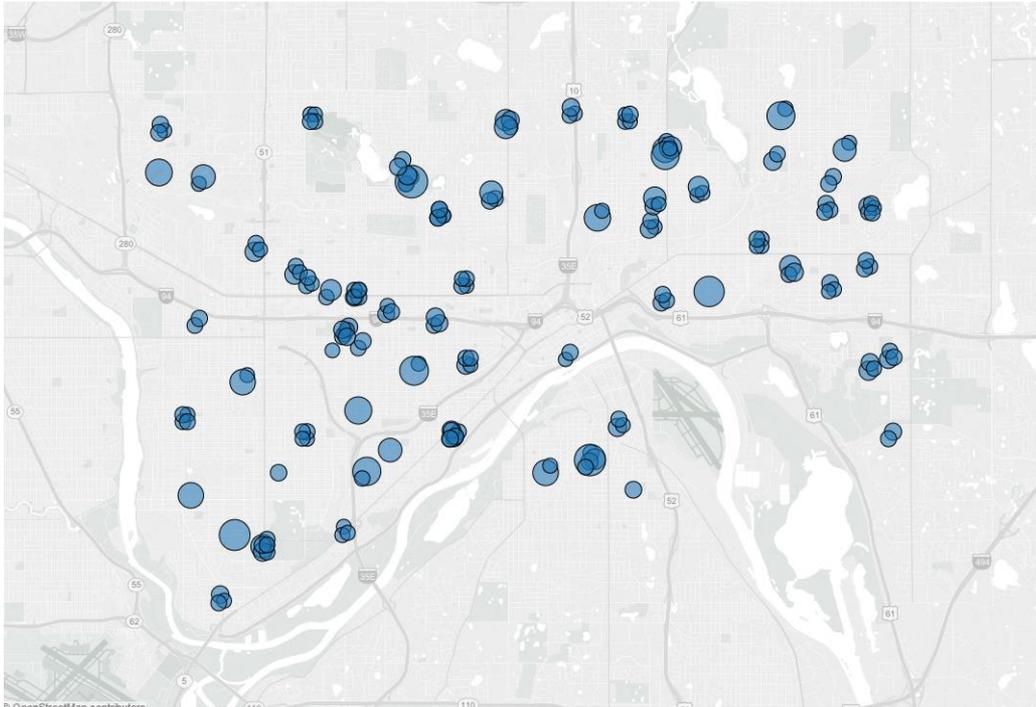
# Next Steps



# Stakeholder Engagement

Interactive website of proposed projects and timing goes live tomorrow morning.

[www.spps.org/fmp](http://www.spps.org/fmp)



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# Stakeholder Engagement

- April 12: Principals
- April 13-26:
  - BOE directors, staff brief County Commissioners
  - Principals share info with staff, families
  - Facilities share info with FMP Committee, FMP Workshop participants, District Councils
- April 26: BOE vote on 5-year plan
- April 26 and Beyond: Parent Advisory Committees, District Councils and neighborhoods, potential partners, public agencies, etc
- May 9: Mayor Coleman and City's education committee

# THANK YOU

## Facilities Department

651-744-1800

[facilities@spps.org](mailto:facilities@spps.org)

[spps.org/fmp](http://spps.org/fmp)

# Policy Update

Committee of the Board Meeting  
April 12, 2016

# Target Timing for 2016 Policy Agenda

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## ▶ Additional proposed policies for review:

Policy Topic	New or Update?	Target Timing for 1st reading	Notes
Intellectual Property Rights	New	May	Approval needed by July in order to prepare and deliver PD before start of school year.
Student Discipline	Update	May	Reaching alignment on direction for policy will be helpful for informing revision of R&R Handbook and School Climate Committee
Student Surveys (PPRA)	New	May	Approval needed by July in order to prepare and include Parent Notice about surveys in back to school mailings.
Use of Social Media	New	May	Approval needed by July in order to prepare and deliver PD before start of school year.
Students: Medications and Medical Procedures	Update	Fall 2016	

## ▶ Other topics?