



South St. Paul School Board - Committee-of-the-Whole

Monday, March 28, 2022 5:00 PM

Location: CITY HALL

125 THIRD AVENUE NORTH

South St Paul, Minnesota 55075

Agenda

- | | | |
|------|--|----|
| I. | 5:00 - 5:20 PM FINANCE (B. Zambreno/B. Hoffman) | |
| A. | 2022-23 Budget Adjustments | 2 |
| II. | 5:20 - 5:25 PM DISTRICT (B. Zambreno) | |
| A. | Identified Official with Authority (IOWA) Designation | 14 |
| III. | 5:25 - 5:45 PM SCHOOL BOARD | |
| A. | School Board Meeting Location (B. Zambreno) | 16 |
| B. | Committee Updates (Board) | 17 |
| | <ul style="list-style-type: none">• District 917• AMSD• Community Education• Educational Foundation• Equity Alliance• Finance, Facilities and Long-Range Planning• Policy• Public Relations/Community Engagement• SSP Open Foundation• Superintendent Executive | |
| C. | | |
| D. | Other Items Deemed Necessary by the School Board | |



SOUTH ST. PAUL PUBLIC SCHOOLS

School Board Agenda Item

Meeting Date: Monday, March 28, 2022

Place on Agenda: Committee-of-the-Whole and Business Item

Action Requested: Approval

Attachment: 2022-23 Proposed Budget Adjustments
PowerPoint

Topic: 2022-23 Budget Adjustments
Presenter(s): Brady Hoffman, Finance Director
Background: <p>Beginning in January 2022, district leadership and the School Board began planning for the 2022-23 budget. At our special work session meeting on January 26th, 2022, the board set parameters for the general fund budget, which included reviewing the two-year budget projections and assumptions. During that meeting, the board also crafted a Guiding Change document, and guidance around 2022-23 budget development. The Board approved the Guiding Change document at its February 14th meeting.</p> <p>The Superintendent's Lead Team has been meeting since January to start preparing for and developing a budget adjustment proposal for 2022-23 that addresses the projected \$1.4 million shortfall. The proposed 2022-23 budget adjustments for the general operating fund are attached.</p>
Recommendation: <p>Administration is recommending the approval of the 2022-23 proposed adjustments. Doing so will allow the next steps of the budget process to proceed, including approving any necessary staffing changes and notification deadlines as required by employment contract or statute. Additionally, approval of the budget adjustments will allow district leaders to develop the comprehensive 2022-23 budget, which is required by statute to be approved by June 30.</p>
Alternatives: <p>Do not approve the proposed budget adjustments and direct administration with next steps.</p>



SOUTH ST. PAUL PUBLIC SCHOOLS
2022-23 Proposed Budget Adjustments

BUDGET ADJUSTMENT RECOMMENDATION	AMOUNT
Align Staffing to Enrollment*	\$714,000
Use of ESSER funds to avoid additional staff reductions*	463,000
Redesign Director of Equity and Early Learning	42,835
Additional Draw from OPEB Trust	100,000
Savings from Employee Retirements	100,000
TOTAL PROPOSED ADJUSTMENTS	\$1,419,835

* Note: The district is using one-time federal funding (ESSER funds) to maintain current class size ratios and avoid an additional \$463,000 of staff reductions that would otherwise have been made due to declining enrollment. These one-time ESSER funds allow us to keep more staff in place to address the critical need to have more adults per student for individualized instruction and support opportunities.

FY23 Budget Planning

Brady Hoffman
Director of Finance
March 28, 2022



Agenda

- Guiding Change Document
- FY23 Budget Assumptions
- Proposed Adjustments
- Next Steps



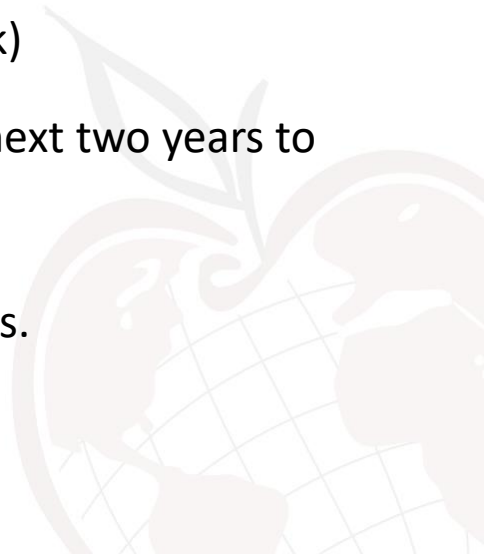
Guiding Change

GUIDING CHANGE: 2022-23 Budget		
Context & Reality <i>"The Why"</i>	Unacceptable Means <i>"The Not-How"</i>	Results <i>"The What"</i>
<ol style="list-style-type: none"> District Mission and Vision. State funding has not kept pace with inflation, and is not projected to keep pace. Additional Operating Levy was approved in Nov. 2017 for ten years. The levy generates about \$1.3 million annually. Despite the District's net gain in open enrollment, overall enrollment has decreased each of the past five years. Expenditures are projected to exceed revenues resulting in deficit spending. 80% of costs are salaries and benefits. State and federal funding for programs such as special education and English learners is not keeping pace with program costs. School Board is required to establish budget by July 1, 2022. District has completed a school start time study indicating a need for a later secondary start time. 	<ol style="list-style-type: none"> Violate law, financial regulations, contracts or agreements. Recommend budget changes that do not address financial sustainability and expected outcomes. The District will not substantially reduce the following programs: <ul style="list-style-type: none"> Arts programs Athletics/activities 	<ol style="list-style-type: none"> Align budget to District Mission, Vision, Strategic Directions, and District Goals. Establish a budget strives to maintain a minimum unrestricted fund balance of 11% of general fund annual expenditures. Maintains quality programming and services. Considers additions, reductions and redesign. Recruit and retain students. Efficient and effective use of resources through ongoing evaluation of current services and programs. Implementation of priority actions of District Strategic Roadmap. Strive for equity in all that we do Consider reinstating Zero Hour Consider for school year 2022-2023 taking action regarding implementation of late start for secondary

Basic Assumptions

- **Revenue Assumptions:**

- **Basic Formula Allowance** – Increase of 2% (\$6,728 per pupil unit) for FY23
 - Assumed 2% for FY24 (to be determined by next legislative biennium)
- **Compensatory Revenue** - \$3 million (increase of over \$500k)
- **COVID-19 Federal Relief Funding** is being utilized over the next two years to offset potential budget reductions.
- **Jefferson Sale** - \$1 million allocated evenly to next two years.



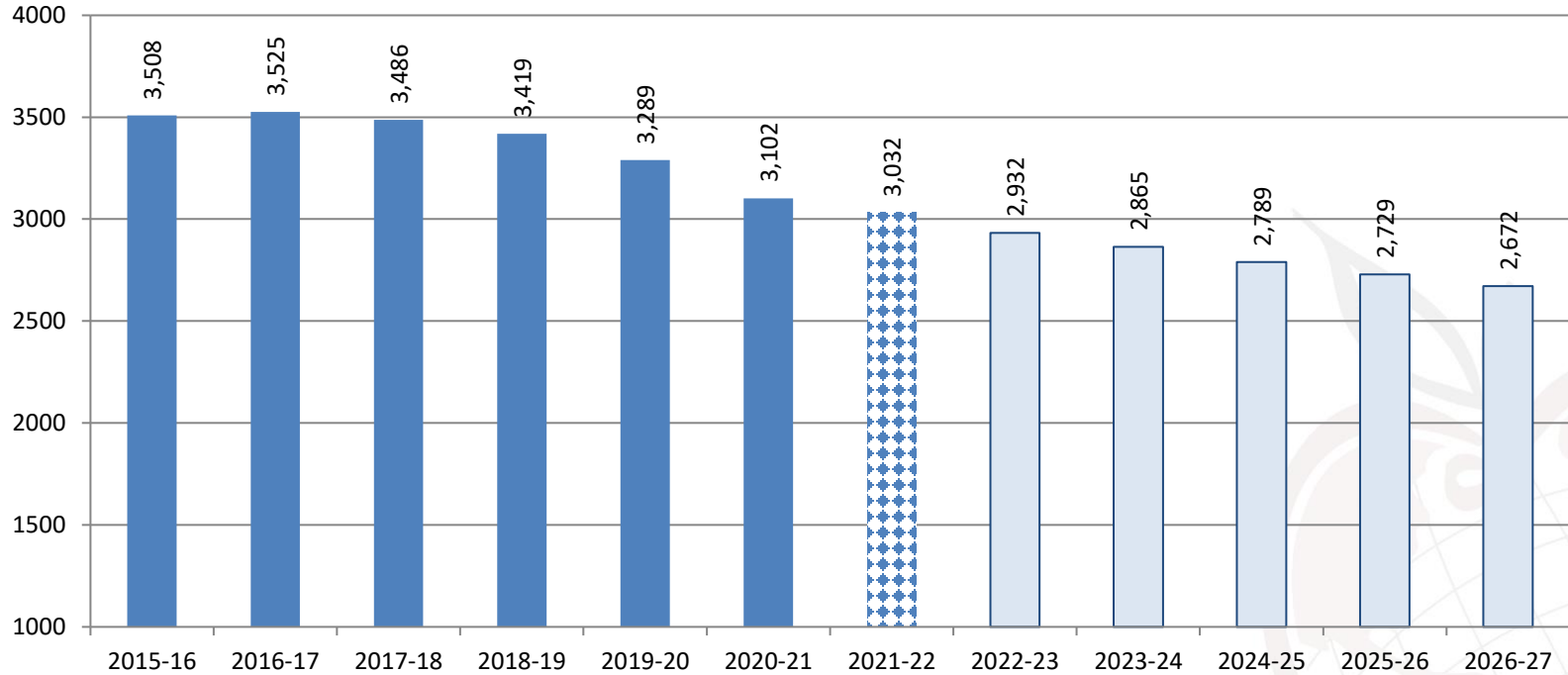
Basic Assumptions (cont'd)

- **Expenditure Assumptions** – overall 2.5% increase
 - Salary & Benefits - % increases for known settlements and contract changes
 - Non-salary items – Specific line items adjusted based on known changes
- **Enrollment** – Projecting declining enrollment over the next 5 years



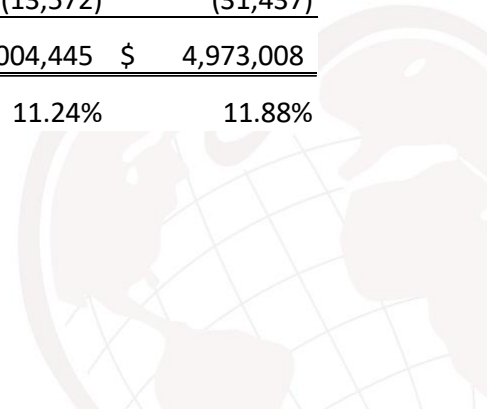
Enrollment Projection

ENROLLMENT HISTORY & PROJECTED TOTAL ENROLLMENT



General Fund Summary

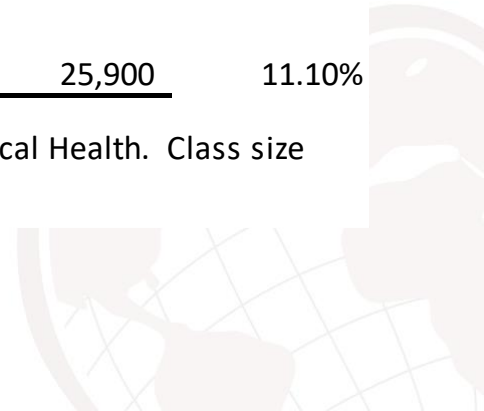
	Actual 2020-21	Revised Budget 2021-22	Projected 2022-23	Projected 2023-24	Projected 2024-25
Total Beginning Fund Balance	\$ 5,516,965	\$ 5,269,705	\$ 5,011,952	\$ 5,018,017	\$ 5,004,445
Revenues	41,307,648	41,842,165	41,758,481	41,382,654	38,899,695
Expenditures	41,554,908	42,099,918	43,152,416	42,796,226	42,431,132
<i>Expenditures Adjustments</i>	-	-	<i>(1,400,000)</i>	<i>(1,400,000)</i>	<i>(3,500,000)</i>
Revised Expenditures	41,554,908	42,099,918	41,752,416	41,396,226	38,931,132
Variance (Revenues - Expenditures)	(247,260)	(257,753)	6,065	(13,572)	(31,437)
Total Ending Fund Balance	\$ 5,269,705	\$ 5,011,952	\$ 5,018,017	\$ 5,004,445	\$ 4,973,008
Unrestricted Fund Balance %	11.91%	11.06%	11.18%	11.24%	11.88%



Budget Adjustments

	<u>Revenues</u>	<u>Expenditures</u>	<u>Net</u>	<u>Fund Balance %</u>
Original Amount	\$ 41,758,481	\$ 43,152,416	\$ (1,393,935)	7.80%
Align Staffing to Enrollment	-	(714,000)		
ESSER Funding	463,000	-		
Redesign Director of Equity/Early Learning	-	(42,835)		
Additional Draw from OPEB Trust	-	(100,000)		
Savings from Employee Retirements	-	(100,000)		
Total Adjustments	<u>463,000</u>	<u>(956,835)</u>		
Revised Amount	<u>\$ 42,221,481</u>	<u>\$ 42,195,581</u>	<u>\$ 25,900</u>	11.10%

*ESSER funds used to maintain class size norms at current levels and support Mental / Chemical Health. Class size norms will increase by 1 when ESSER funds are depleted.



Next Steps

- March 28 - Board Approves Budget Adjustments
- April – June - Administration develops 2022-23 budget details
- June 27 - School Board approval of 2022-23 Budget



Question and Comments





SOUTH ST. PAUL PUBLIC SCHOOLS

School Board Agenda Item

Meeting Date: March 28, 2022

Place on Agenda: Committee-of-the-Whole and Regular Agenda Business Item

Action Requested: Approval

Attachment: Education Identity and Access Management Board Resolution

Topic: Identified Official with Authority (IOwA) designation
Presenter(s): Dr. Brian Zambreno, Superintendent of Schools
<p>Background:</p> <p>The Minnesota Department of Education (MDE), Professional Educator Licensing Standards Board (PELSB), and Office of Higher Education (OHE) require annual designation of an Identified Official with Authority (IOwA) for each local educational agency that uses the Education Identity Access Management (EDIAM) system. The IOwA is responsible for authorizing, reviewing, and recertifying user access for their local educational agency in accordance with the State of Minnesota Enterprise Identity and Access Management Standard, which states that all user access rights to Minnesota state systems must be reviewed and recertified at least annually. The IOwA will authorize user access to State of Minnesota Education secure systems in accordance with the user’s assigned job duties, and will revoke that user’s access when it is no longer needed to perform their job duties.</p>
<p>Recommendation:</p> <p>Recommendation to approve the <i>Education Identity and Access Management Board Resolution</i> that designates Dr. Brian Zambreno as the Identified Official with Authority for Education Identity Access Management for South St. Paul Public School Dist. 0006-03.</p>
<p>Alternatives:</p> <p>N/A</p>



Minnesota's First K-12 IB World Schools District

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March 28, 2022

Education Identity and Access Management Board Resolution

The Minnesota Department of Education (MDE), Professional Educator Licensing Standards Board (PELSB), and Office of Higher Education (OHE) require annual designation of an Identified Official with Authority (IOwA) for each local educational agency that uses the Education Identity and Access Management (EDIAM) system. The IOwA is responsible for authorizing, reviewing, and recertifying user access for their local educational agency in accordance with the State of Minnesota Enterprise Identity and Access Management Standard, which states that all user access rights to Minnesota state systems must be reviewed and recertified at least annually. The IOwA will authorize user access to State of Minnesota Education secure systems in accordance with the user's assigned job duties and will revoke that user's access when it is no longer needed to perform their job duties.

Your school board or equivalent governing board must designate an IOwA to authorize user access to State of Minnesota Education secure websites for your organization. This EDIAM board resolution must be completed and submitted to the Minnesota Department of Education annually, as well as any time there is a change in the assignment of the Identified Official with Authority.

It is strongly recommended that only one person at the local educational agency or organization (the superintendent or director) is designated as the IOwA. The IOwA will grant the IOwA Proxy role(s). Designation of the Identified Official with Authority for Education Identity and Access Management

Organization Name: South St. Paul Public Schools

Digit or 9-Digit Organization Number: 0006-03

The Director recommends the Board authorize the below named individual(s) to act as the Identified Official with Authority (IOwA) for this organization:

Print Name: Dr. Brian Zambreno

Title: Superintendent of Schools

Board Member Signature: _____

Name: Linda Diaz

Date: March 28, 2022

Once the EDIAM Board Resolution is completed, scan and email it to:
useraccess.mde@state.mn.us



SOUTH ST. PAUL PUBLIC SCHOOLS

School Board Agenda Item

Meeting Date: March 28, 2022

Place on Agenda: Committee-of-the-Whole

Action Requested: None. Information only.

Attachment: None.

Topic: School Board Meeting Location
Presenter(s): Dr. Brian Zambreno, Superintendent of Schools
<p>Background:</p> <p>The district is working closely with the city and Town Square television on the upcoming remodeling project at city hall. The remodeling project will require the district and city council to temporarily shift their board and council meetings to the South St. Paul airport. The shift is tentatively scheduled for mid-April with the first School Board meeting being held at the South St. Paul airport on Monday, April 25, 2022.</p> <p>Town Square television will be shifting their equipment to the airport to allow for live and streamed board and council meetings to continue in addition to in-person attendance options. There will be additional set-up prior to each meeting that each entity will be responsible for.</p>
<p>Recommendation:</p> <p>N/A</p>
<p>Alternatives:</p> <p>N/A</p>



SOUTH ST. PAUL PUBLIC SCHOOLS

School Board Agenda Item

Meeting Date: March 28, 2022

Place on Agenda: Committee-of-the-Whole

Action Requested: None. Discussion Only.

Attachment: None

Topic: Committee Updates
Presenter(s): School Board Members
Background: School Board members will provide an update for the following committees that they serve on: <ul style="list-style-type: none">• District 917• Association for Metropolitan School Districts (AMSD)• Community Education• SSP Educational Foundation• Equity Alliance MN• Finance, Facilities and Long-Range Planning• SSP Open Foundation• District Policy• District Community Engagement and Public Relations• District Superintendent/Executive
Recommendation: N/A
Alternatives: N/A