



**Minneapolis
Public Schools
Community
Budget
Discussion**

Welcome!

To be **MPS Strong**, we are working toward:



High quality programs with high student outcomes



Inclusion and access



Robust, culturally relevant family and community engagement



Sound, stable finances



Effective, cost-efficient operations across the district

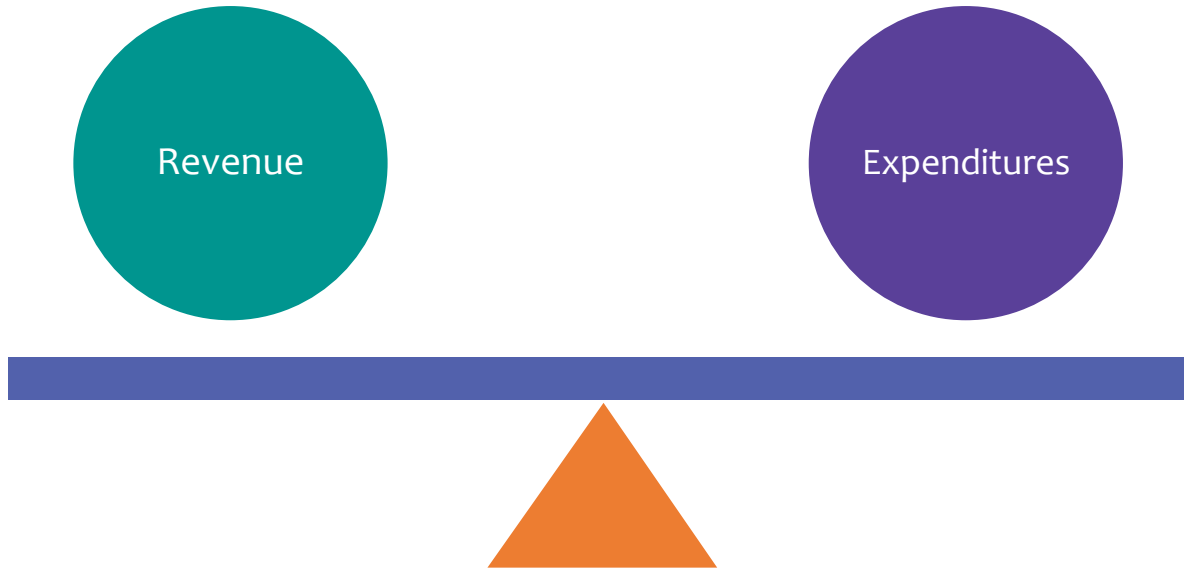


Strong MPS brand recognition and reputation

Agenda

- Budget Overview: How we got here
- Context and commitment: Where are we going?
- Three phases of budget reduction proposals
- Small group discussion
- Closing comments and next steps

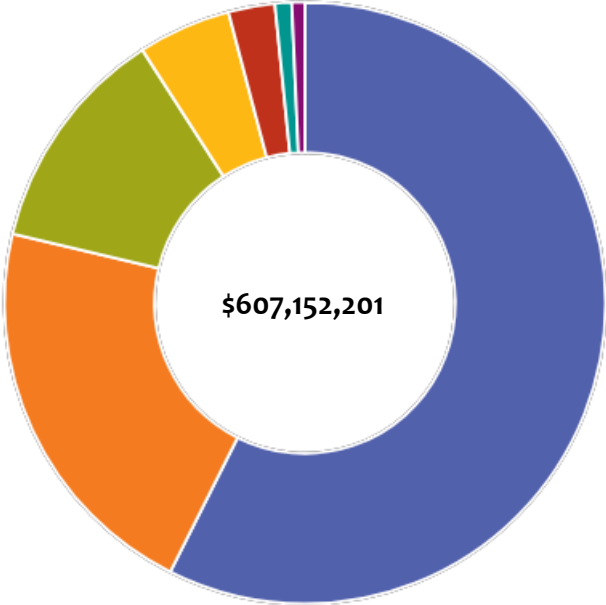
Budgets must be balanced



SY2017-2018 MPS expenses

Expenses paid from dollars received from the State of Minnesota

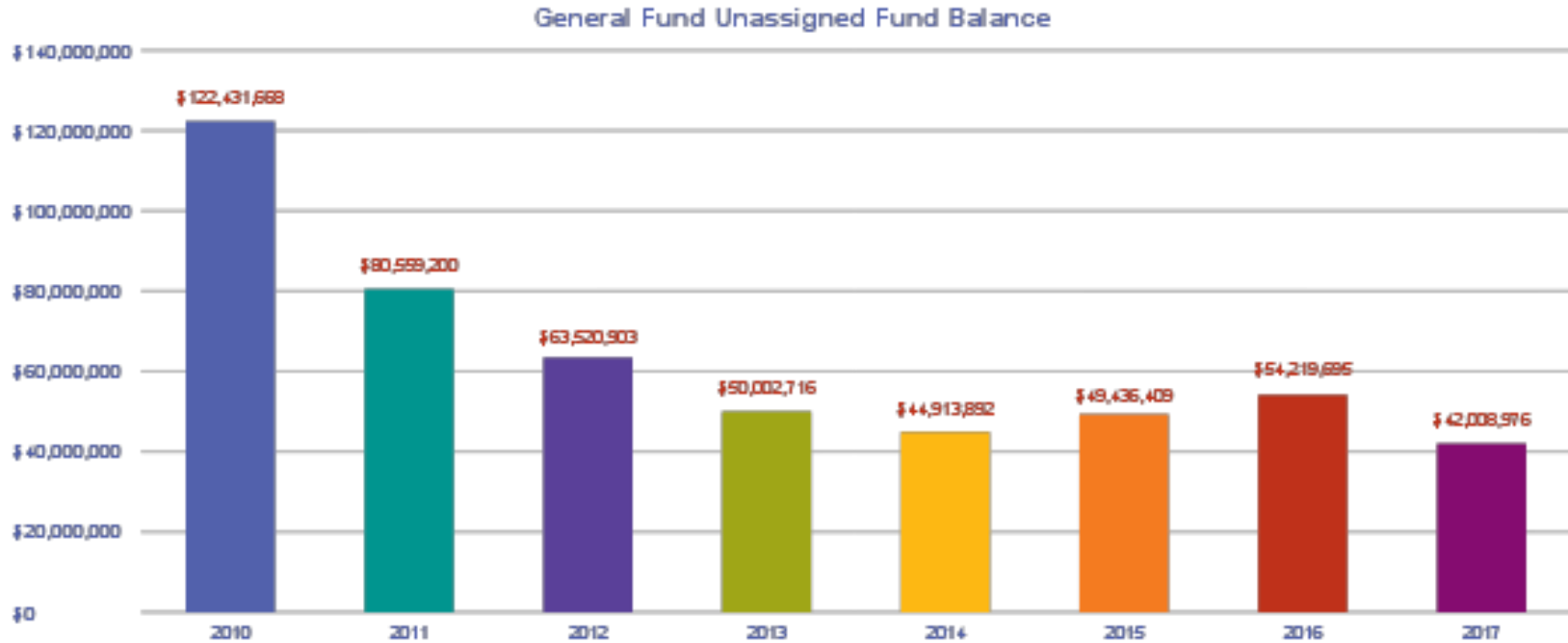
● Salary	\$356,159,181
● Benefits	\$132,456,297
● Contracted Services	\$66,302,719
● Supplies	\$29,201,511
● Extended Time	\$15,751,457
● Equipment	\$3,850,053
● Misc	\$3,430,983



FY 2018-19 funding projections

FY 18-19 Projected Expenses	\$635.2 M
FY18-19 Projected Revenue	\$602.2 M
Projected Deficit FY18-19	-\$33 M

MPS used reserves to overcome deficits for past 7 years



Reserves (aka the Fund Balance) no longer an option

MPS board policy 3700 states, “The district will take steps to attain a minimum unassigned General fund balance of no less than eight percent (8%) of the estimated General Fund expenditures for the following year.”

Fund Balance Trajectory FY16-FY18		
Unassigned Fund Balance FY16-17	\$54,219,695	8.9%
FY17-18 Budget Deficit	-\$12,210,719	
Effect to Fund Balance FY17-18	\$42,008,976	6.8%
FY18-19 Deficit	-\$16,515,876	
Effect to Fund Balance FY18-19	\$25,493,100	4.1%

How do we balance the budget?

We have to focus on what counts – and we have to do it together.



Focus on our students

Students must be our first consideration



Focus on our schools

Schools must have adequate staffing



Focus on learning

Academics must be prioritized



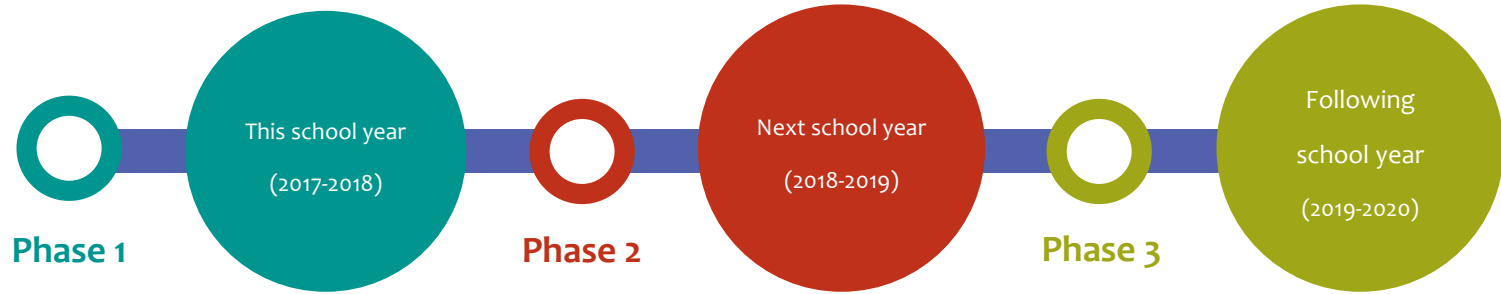
Focus on shared values

We must work together

EQUITY

Next Steps: How do we get there?

Over the next three years:



Phase 1: School Year 2017-18 Reductions

Reducing costs now will lessen our need to use fund balance.

Cost-cutting measures implemented this school year include:

Two fewer days of school this year	Unknown
Hiring restrictions for all staff not in schools	\$2.5 M
Reduction in Need for Fund Balance in 2017-18	\$2.5 M

Phase 2: School Year 2018-19

Recommended Reductions

Reduction in district cell phones	\$0.3M
Bell-time (school start/end times) changes	\$2.0M
Reduction in time allotment for school	\$6.4M
Targeted class size changes	\$4.8M
WMEP withdrawal	\$0.3M
Reduction in Deficit for 2018-19	\$13.8M

Phase 2 (continued): School Year 2018-19

Additional Reductions to Explore

Increase class size target range by 1 student (in addition to previous increase)	\$4.8 M
Reduction of 6 staff duty days for all school-based and direct- service staff (based on contract)	\$6.0 M
Retain Title II revenue	\$2.5 M
Optional Reductions in Deficit for 2018-19	\$13.3 M
Total Potential Reduction in Deficit for 2018-2019	\$27.1 M*

* (Still need another \$5.9 million to reach \$33 million)

Why recommend changes to bell times?

- **29 different start times** for 68 schools
- 21 schools with regular education busing have start times between 7:30 a.m. – 8:05 a.m.
- Only 6 schools have start times after 9:30 a.m.
- **Imbalance means 78 extra buses** needed for rush hour but not later in morning
- To balance this, **more schools need to shift closer to 9:30 a.m. tier**
- **Getting multiple, extended runs from one bus is how we save money**
- Fewer buses on longer shifts means less fuel and maintenance, less driver turnover and a more stable driver workforce; in turn, more consistent drivers forges better relationships with students and results in safer buses

Why recommend changes in time allocations for secondary schools?

- More consistent school times (which impacts transportation)
- Reduces academic programming variability
- Greater scheduling across multiple sites to support district priorities

Why adjust class size targets?

- Captures greater market share
- Provides more resources to schools
- Increases building use and efficiency

Why withdraw from the West Metro Education Program?

WMEP is an equity-focused, voluntary collaborative of school districts focused on professional development

- MPS working with Reimagine Minnesota to develop metrowide policies and practices to address academic outcome currently predictable by race
- MPS has in-house capacity to do WMEP training
- More cost-efficient to terminate membership

Phase 3: Comprehensive Districtwide Assessment for School Year 2019-2020

Community input in spring and fall on results of districtwide assessment of:



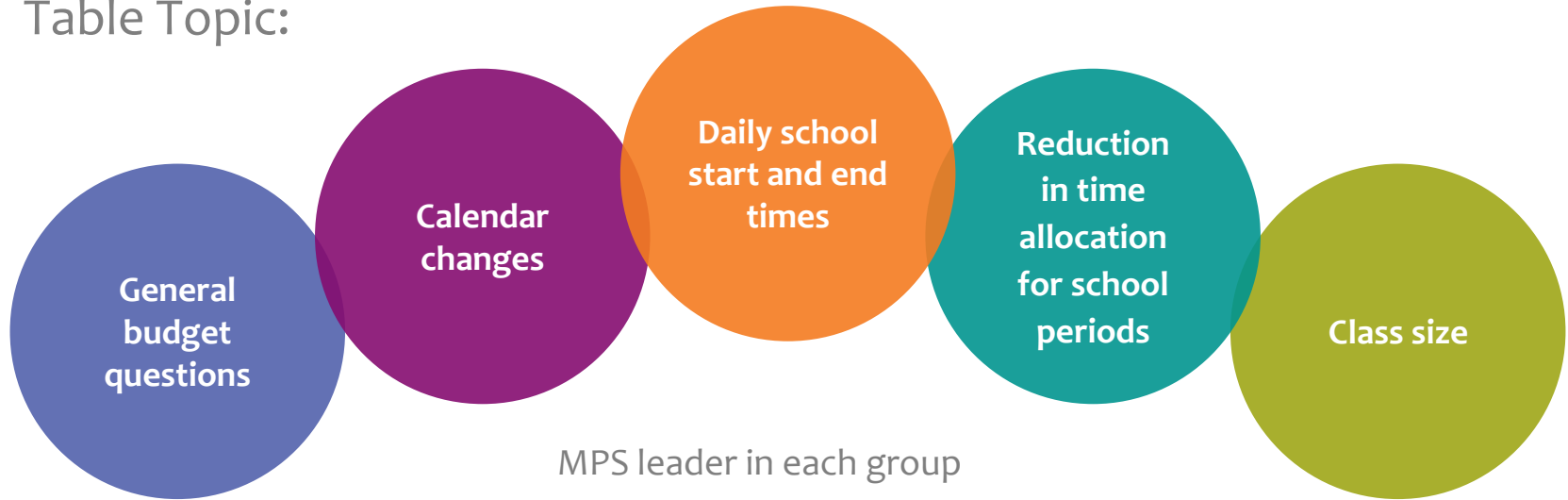
Results to impact 2019-2020 school year

Phase 3 (continued): Working to Increase Revenues

- Referendum in November 2018
 - Maximize levy (\$18 million)
 - Capital project (tech) levy (\$12 million)
 - Payable in 2019-2020 school year
- Ongoing Legislative advocacy
 - Special Education services currently underfunded
 - English Language services currently underfunded

Small Group Discussions

Table Topic:



MPS leader in each group

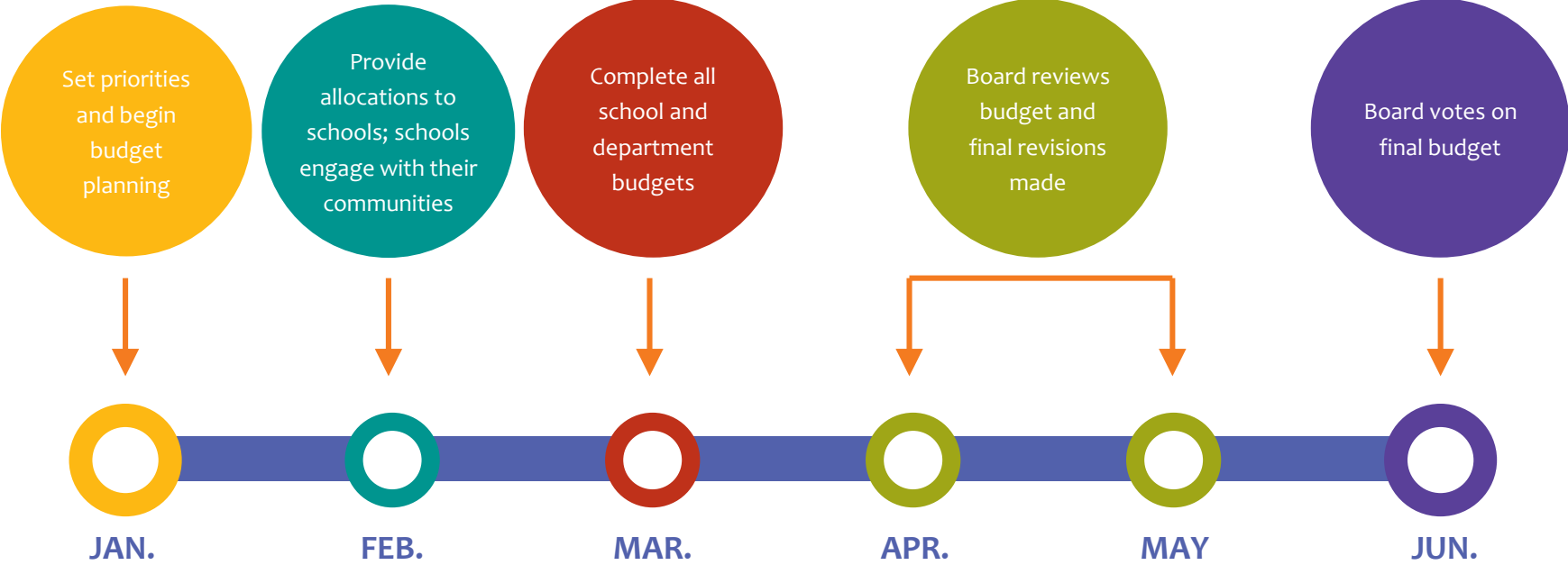
Choose a note-taker

Choose someone to report back to larger group

Next Steps

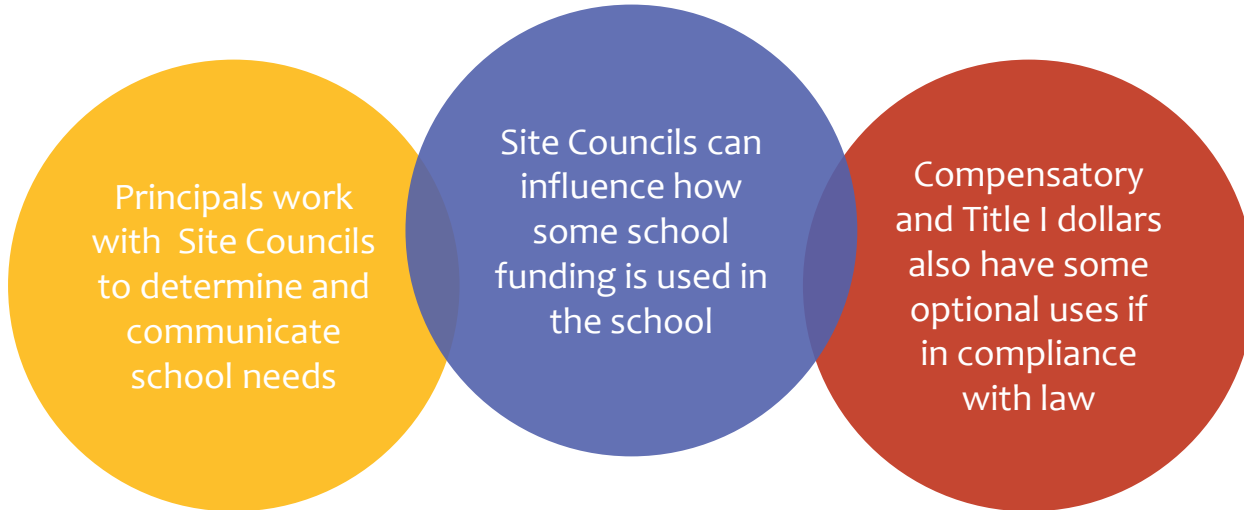
Decision-Making Timeline and Impact on School Budgets

Timeline



What funding decisions are made at the school level?

Site Councils are involved in all aspects of a school's budget



How can you be involved in school budgeting?

Participate and get involved in a way that suits your time and lifestyle.

But get involved!



To learn more:

Visit www.mpls.k12.mn.us and click on ‘Budget’