



AMS

**Association of Metropolitan
School Districts**



Association of Metropolitan School Districts

Presentation to Legislators

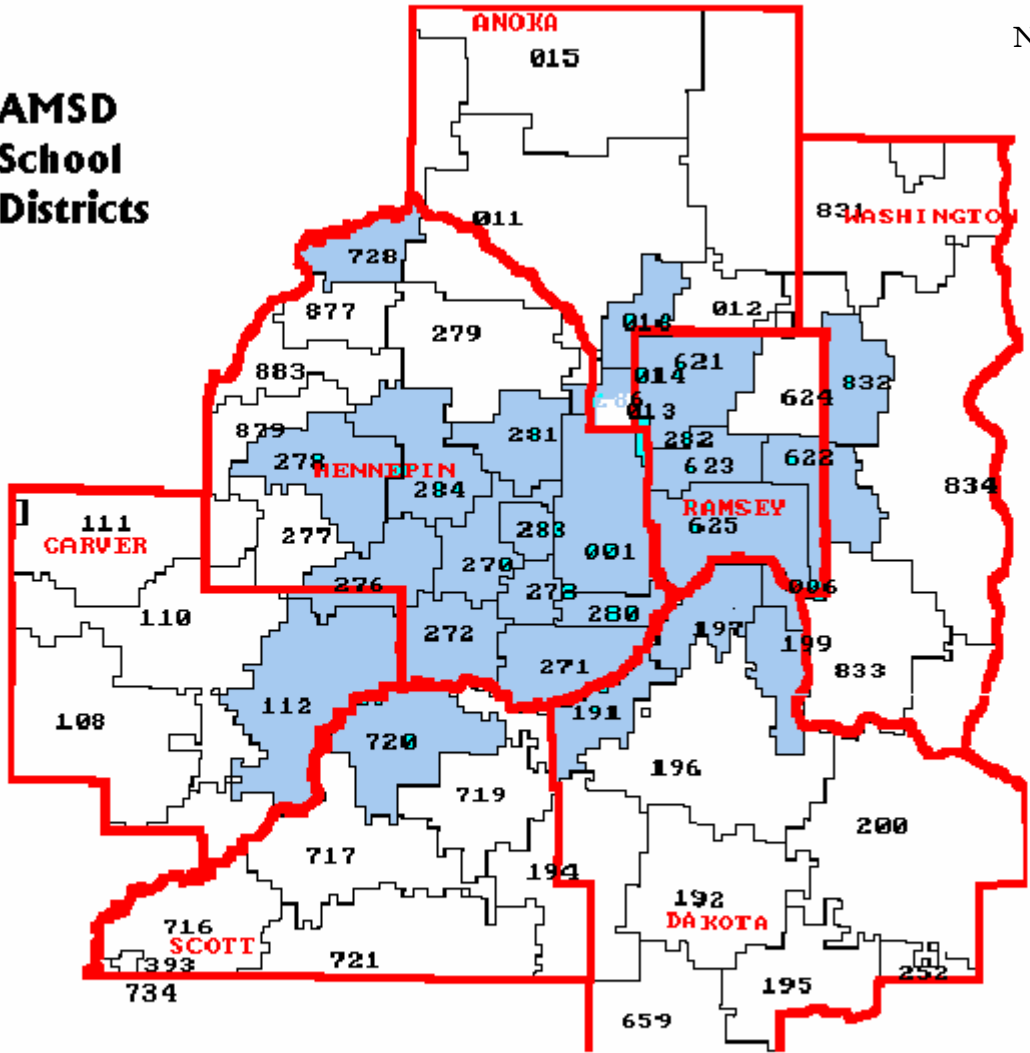
January 5, 2007

Association of Metropolitan School Districts

AMSD represents:

- 27 Metro Area School Districts
- 3 Joint Powers Districts
- 2 Associate Members
- 247,829 students
- 29.9% of the K-12 students in Minnesota

AMSD School Districts



Number	Name
1.2	Minneapolis
6	South St. Paul
14	Fridley
16	Spring Lake Park
112	Chaska
191	Burnsville
197	West St. Paul
199	Inver Grove
270	Hopkins
271	Bloomington
272	Eden Prairie
273	Edina
276	Minnetonka
278	Orono
280	Richfield
281	Robbinsdale
282	St. Anthony-New Brighton
283	St. Louis Park
284	Wayzata
286	Brooklyn Center
287	Intermediate School District 287
621	Mounds View
622	North St. Paul-Maplewood
623	Roseville
625	St. Paul
720	Shakopee
728	Elk River
832	Mahtomedi
6067	EMID
6069	WMEP

AMSD's Mission

To advocate for state education policy that enables metropolitan school districts to improve student learning.

Presentation Overview

AMSD 2006-7 Legislative Platform

- Modernize Minnesota's Funding System
- Fix the Special Education Funding System
- Eliminate the Readiness Gap
- Attract and Retain High Quality Teachers
- Maintain Local Control, Reduce Mandates

AMSD Tax Effort Study

Modernize Minnesota's Funding System

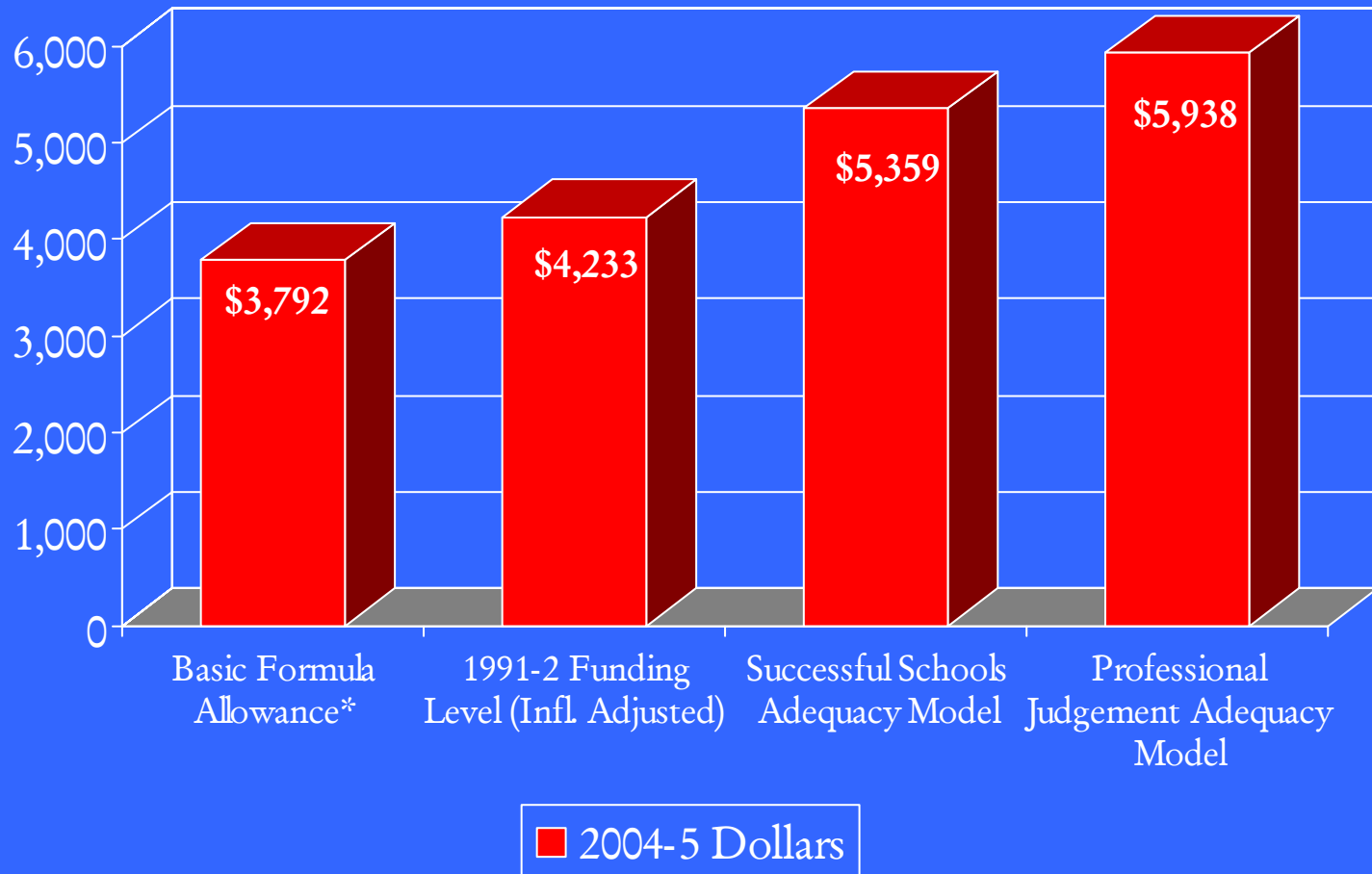
P.S. Minnesota: A Call to Modernize Minnesota's Funding System

- Link funding to student achievement of state and federal standards.
- P.S. Minnesota adequacy study provides guidelines for modernization of system.
 - Provides for base formula amount

www.psminnesota.org

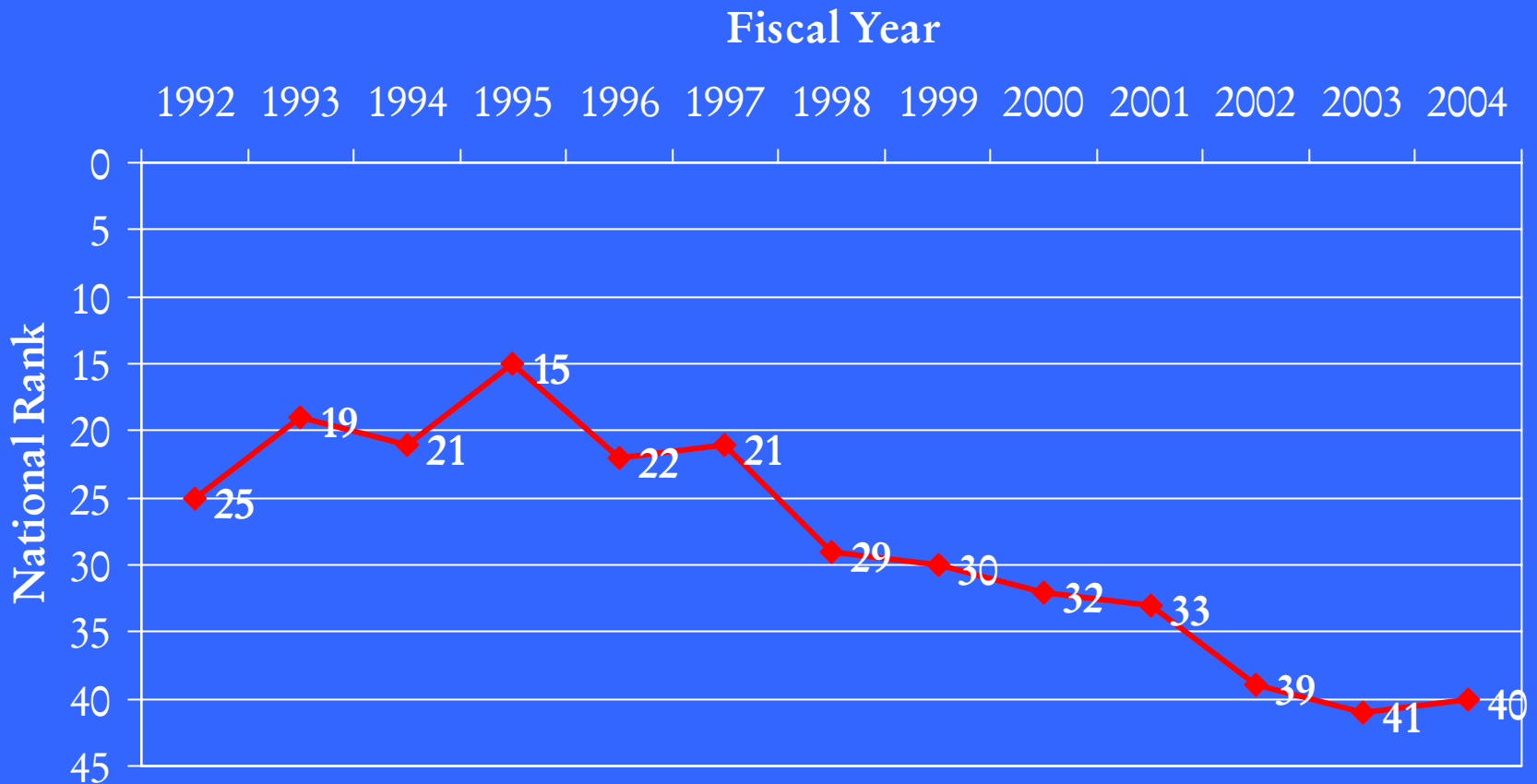


General Education Formula Falls Short of Adequacy Measures



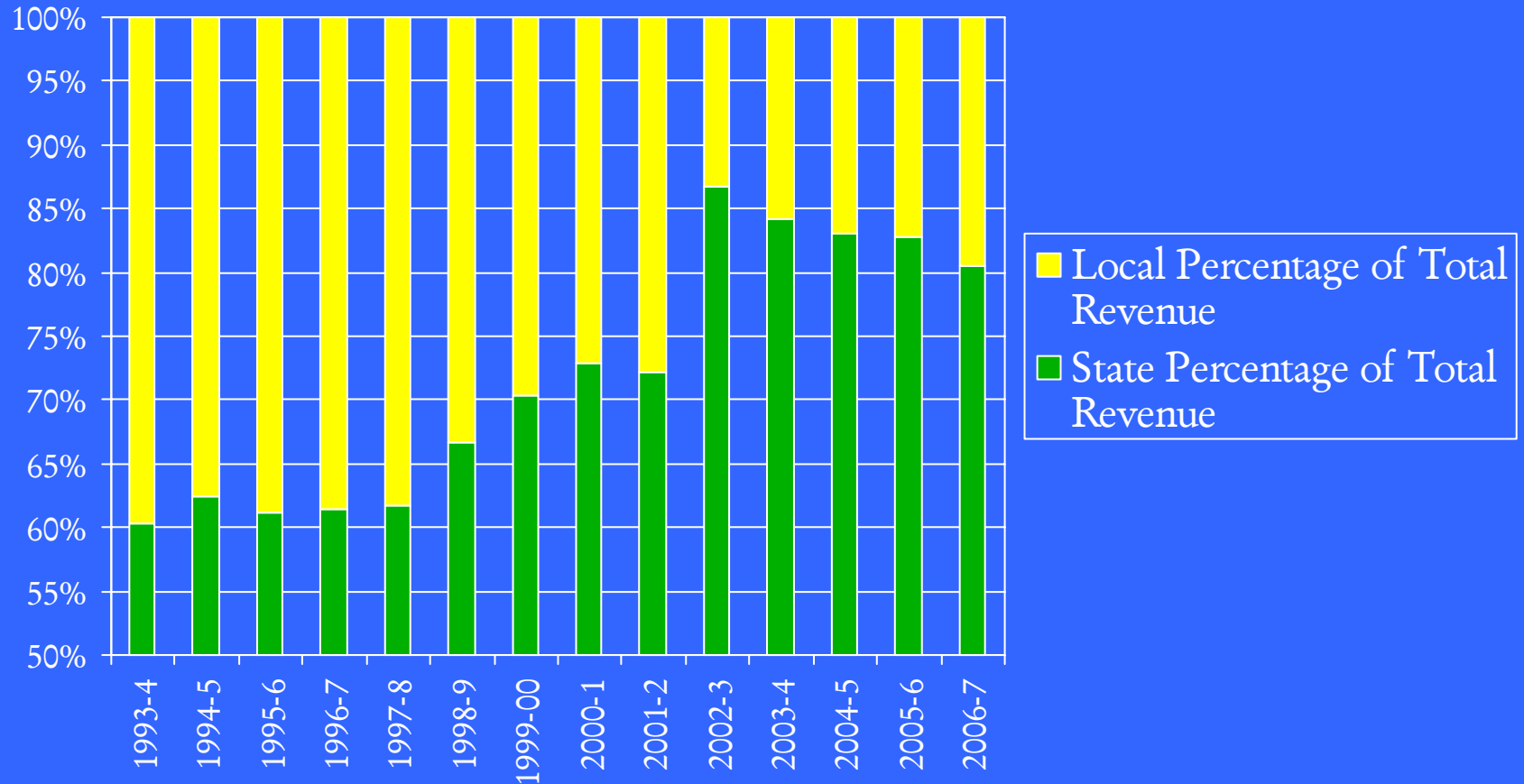
**Note: Basic formula allowance is shown net of various "roll-ins," which together represented \$809 per pupil for the 2004-5 school year.*

Minnesota's Rank in Education Spending Relative to Income Has Plunged Since 1992



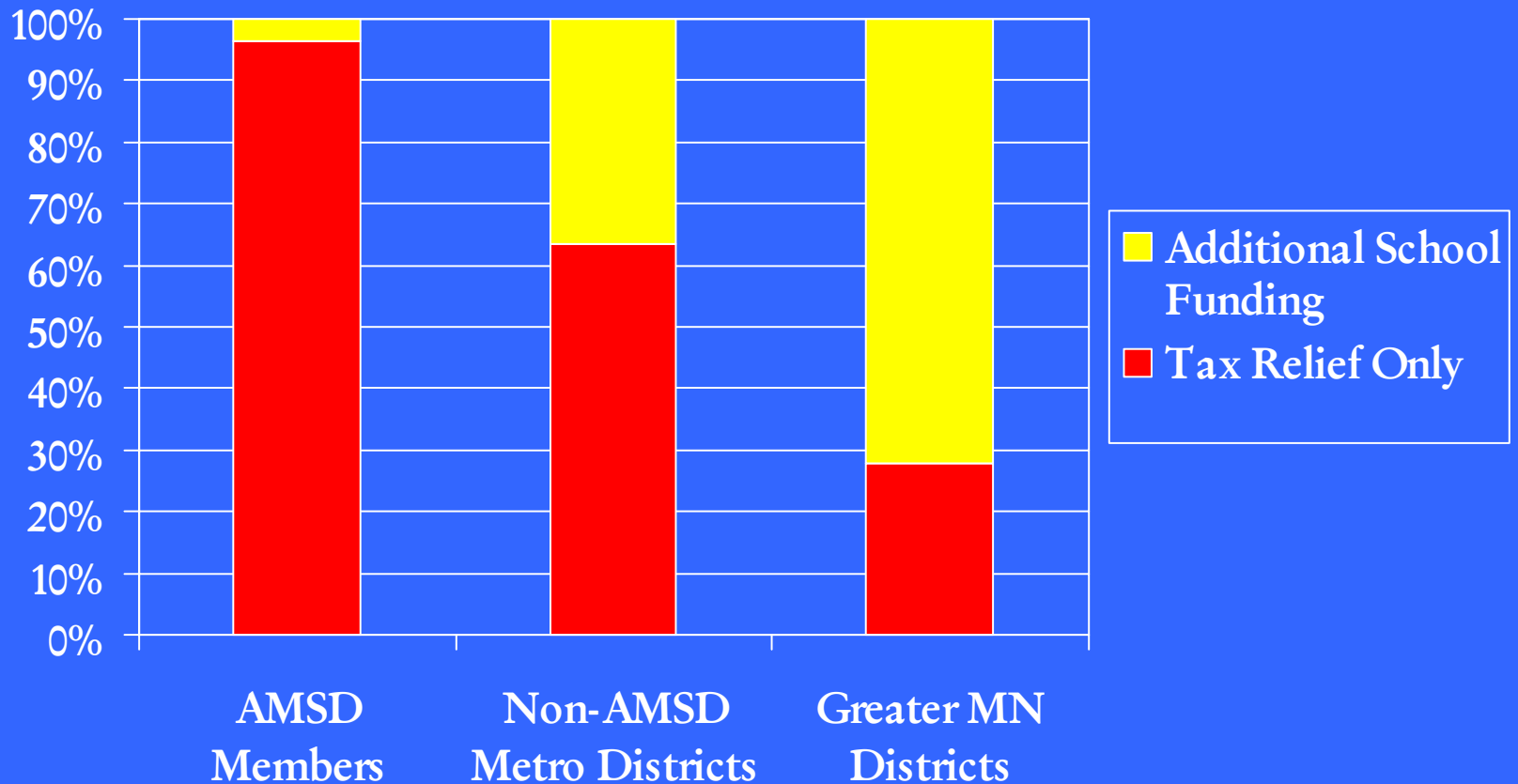
Source: U.S Census Bureau: *Public Education Finances Reports*, fiscal years 1992-2004. 2004 is the most recent available.

Since State “Takeover” in 2002, State Share of Total Revenue Has Decreased



Source: Minnesota House Research, July 2006.

2001 Measure Targeted to Tax Relief, Not Education Funding

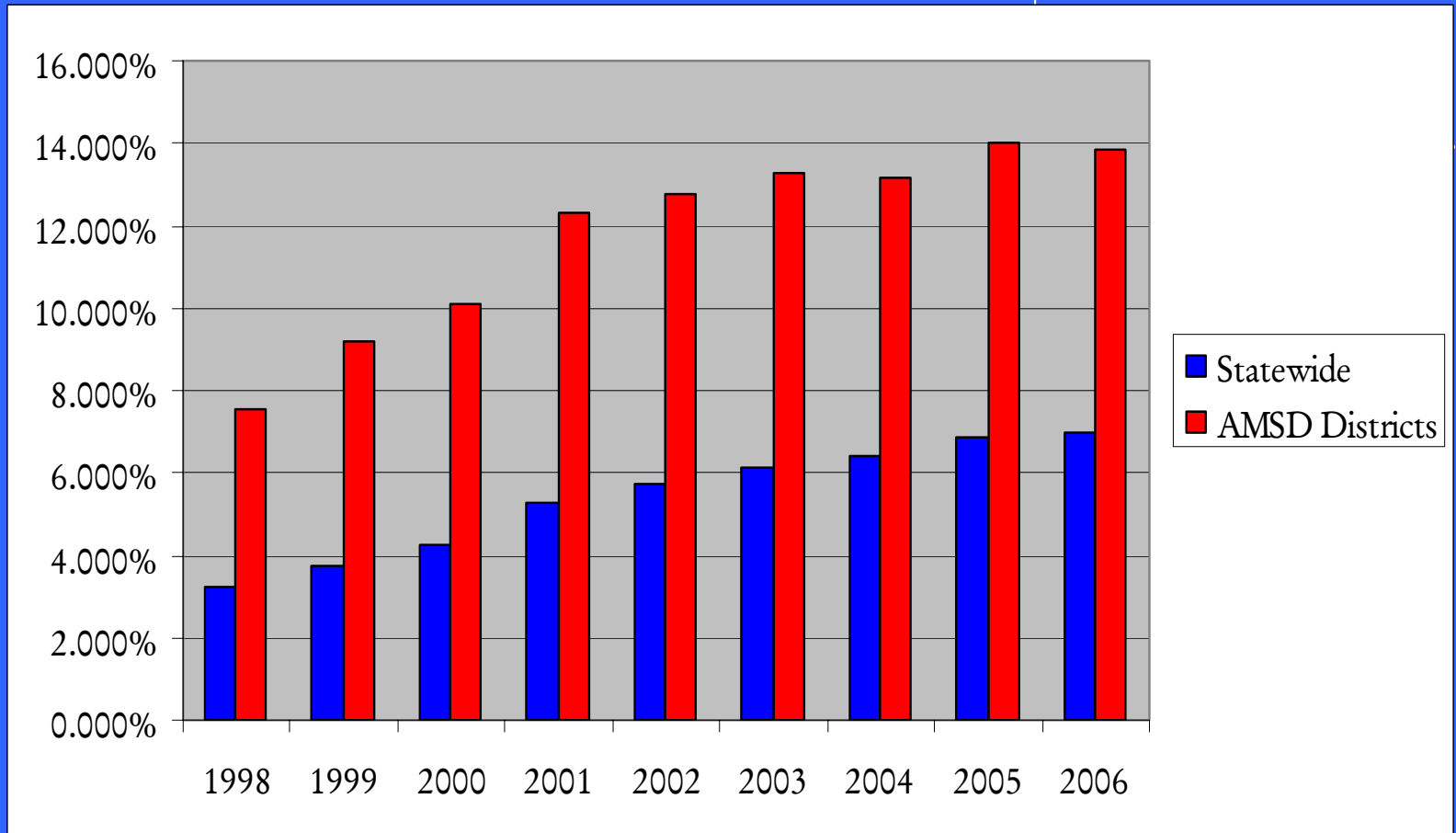


Source: Minnesota Department of Education, General Education Revenues, FY1996 to FY2007; AMSD analysis.

Modernizing Minnesota's Funding System

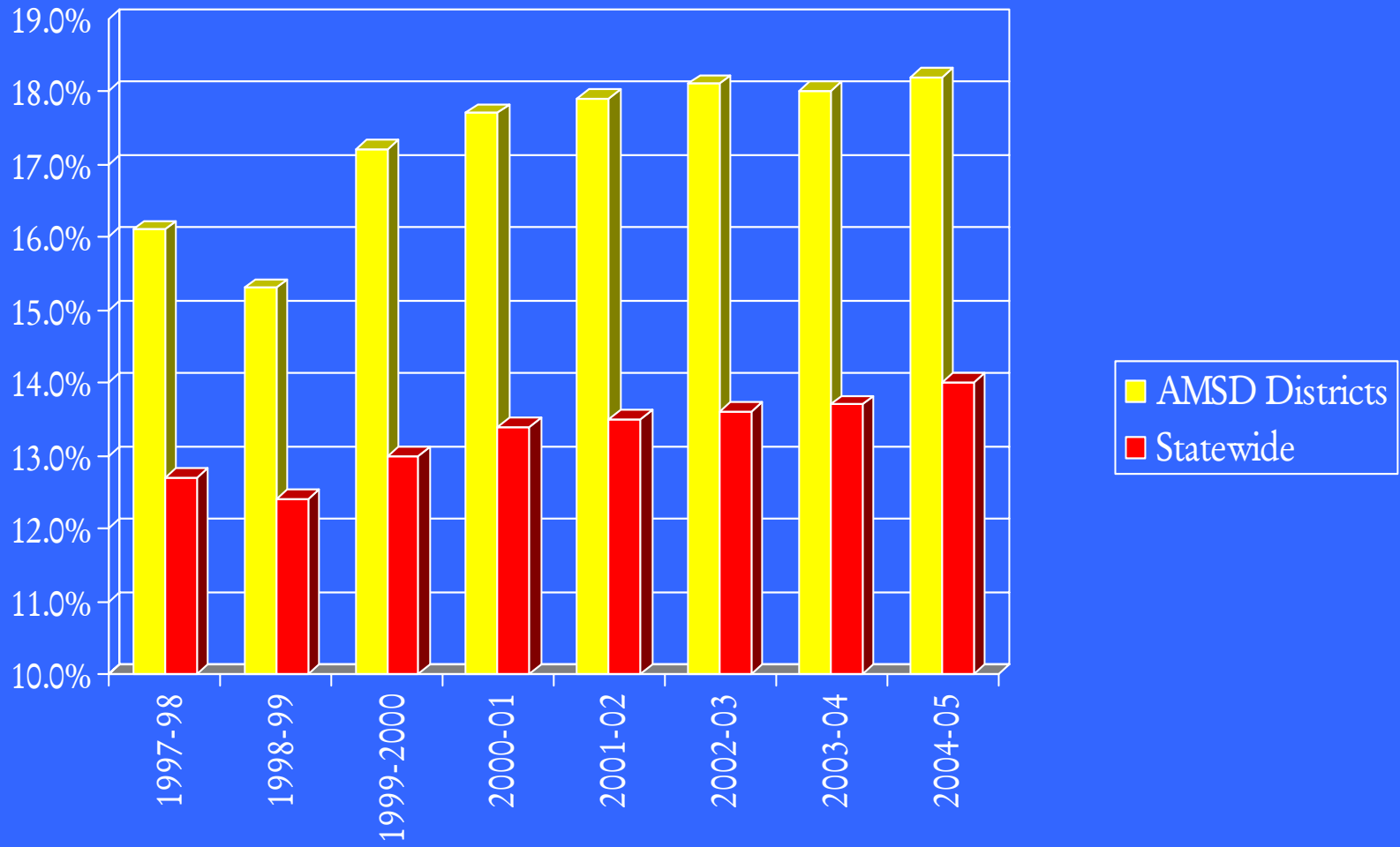
- Link funding to student achievement of state and federal standards.
- P.S. Minnesota adequacy study provides guidelines for modernization of system.
 - Provides for base formula amount
 - Plus: Adjustments for individual student factors

ELL Students Growing as Percentage of Total Enrollment



Source: Minnesota Department of Education, Fall Population Data, 1997-8 to 2005-6.

Student Mobility: Students Are Changing Schools and Districts More Frequently

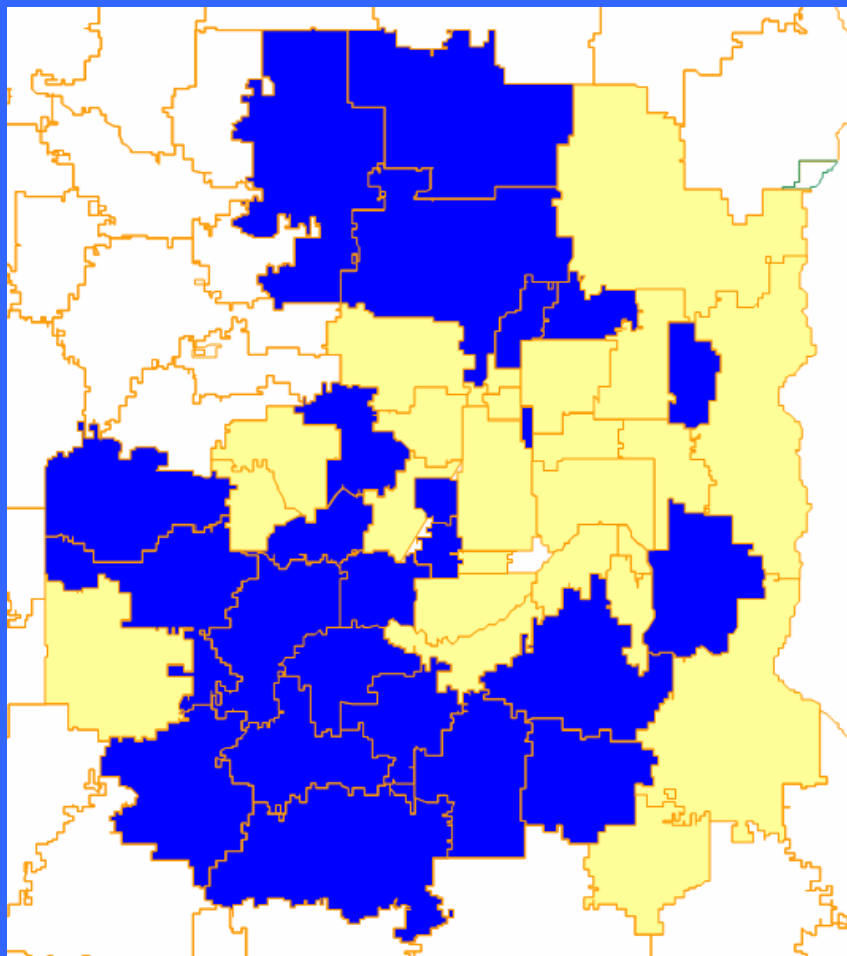


Source: Minnesota Department of Education. Figures reflect summer transfers in, mid-year transfers in, and mid-year in-district transfers (categories 1-3), divided by October 1 K12 enrollment count. Charter schools not included.

Modernizing Minnesota's Funding System

- Link funding to student achievement of state and federal standards.
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 - Plus: Adjustments for individual student factors
 - Plus: Adjustments for unique school district factors

Declining Enrollment Widely Experienced Across Minnesota

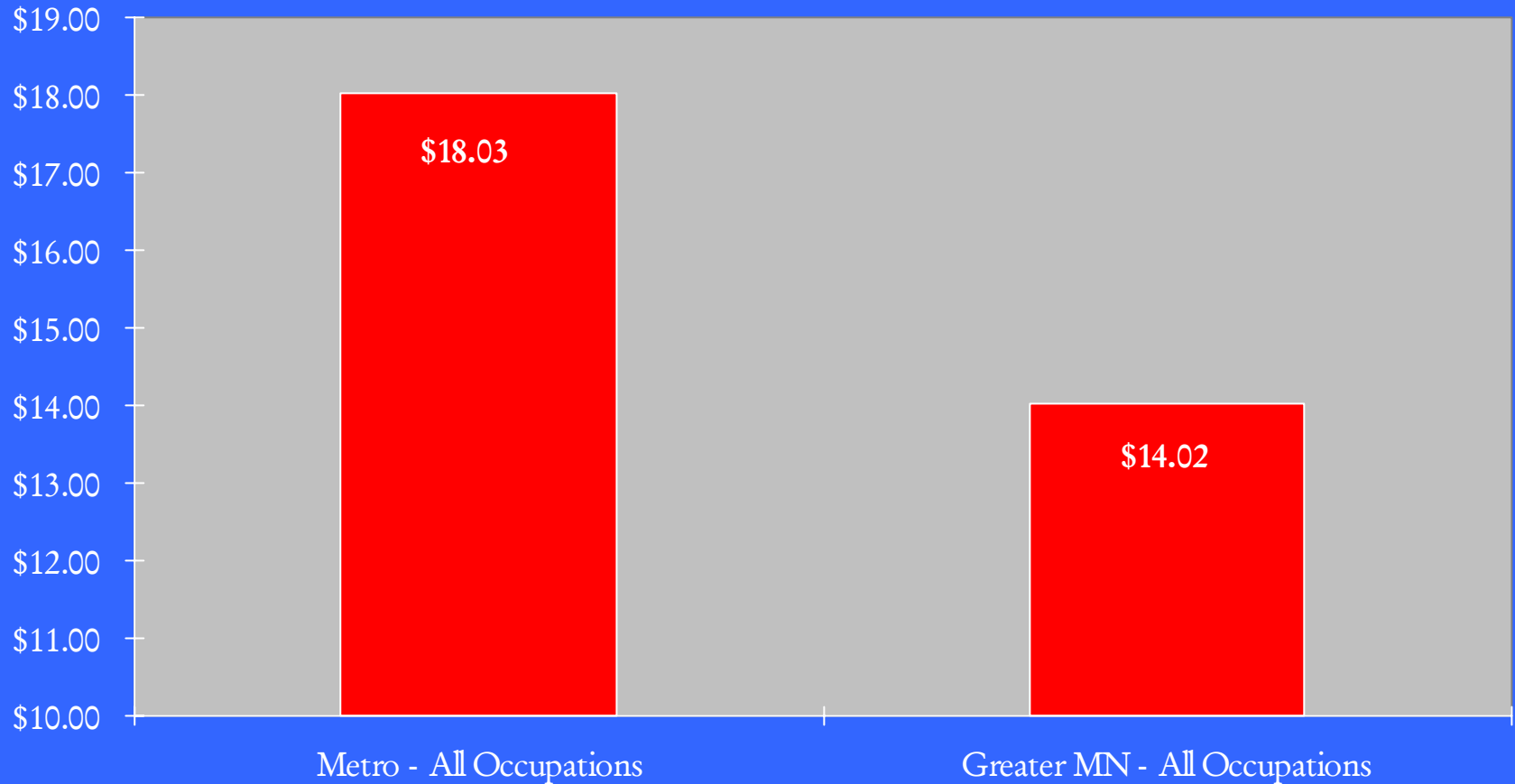


Of 48 Metropolitan school districts, 25 experienced declining enrollment (yellow) between 1997-8 and 2005-6, while 23 (blue) grew in size.

In comparison, 73% of districts statewide experienced declining enrollment during this period.

Source: Minnesota Department of Education, Fall populations, 1997-2006.

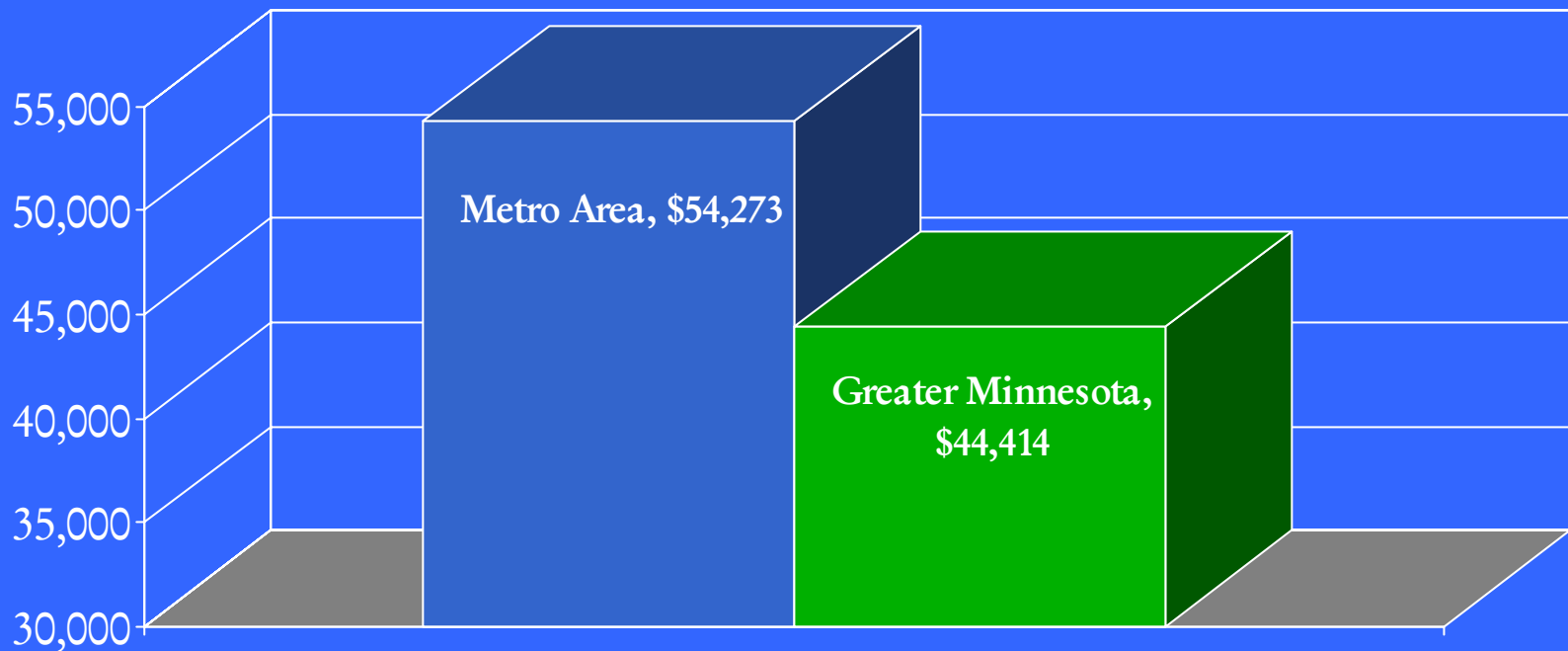
Median Hourly Personnel Cost Higher in Metro



Source: Bureau of Labor Statistics (Occupational Classification data), May 2005; Minnesota Department of Employment and Economic Development, Occupational Employment Statistics; statistics from 3Q 2006.

Costs Are Higher in Metro

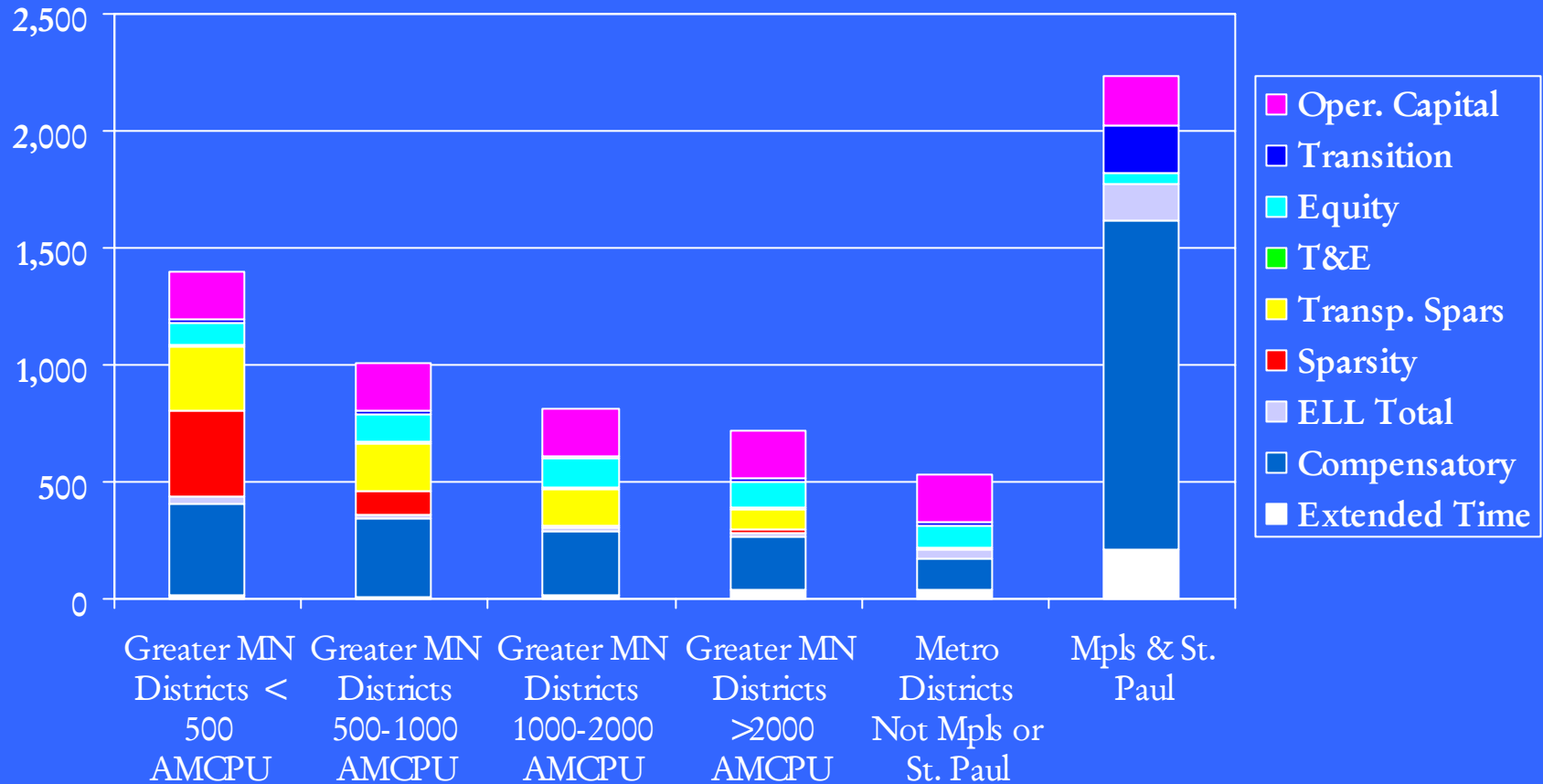
Education MN Analysis: Wages Required to Meet Basic Needs of Family



Source: Education Minnesota analysis of 2004 data from Department of Economic Development. Figures are for a family of two adult full-time workers with two children.

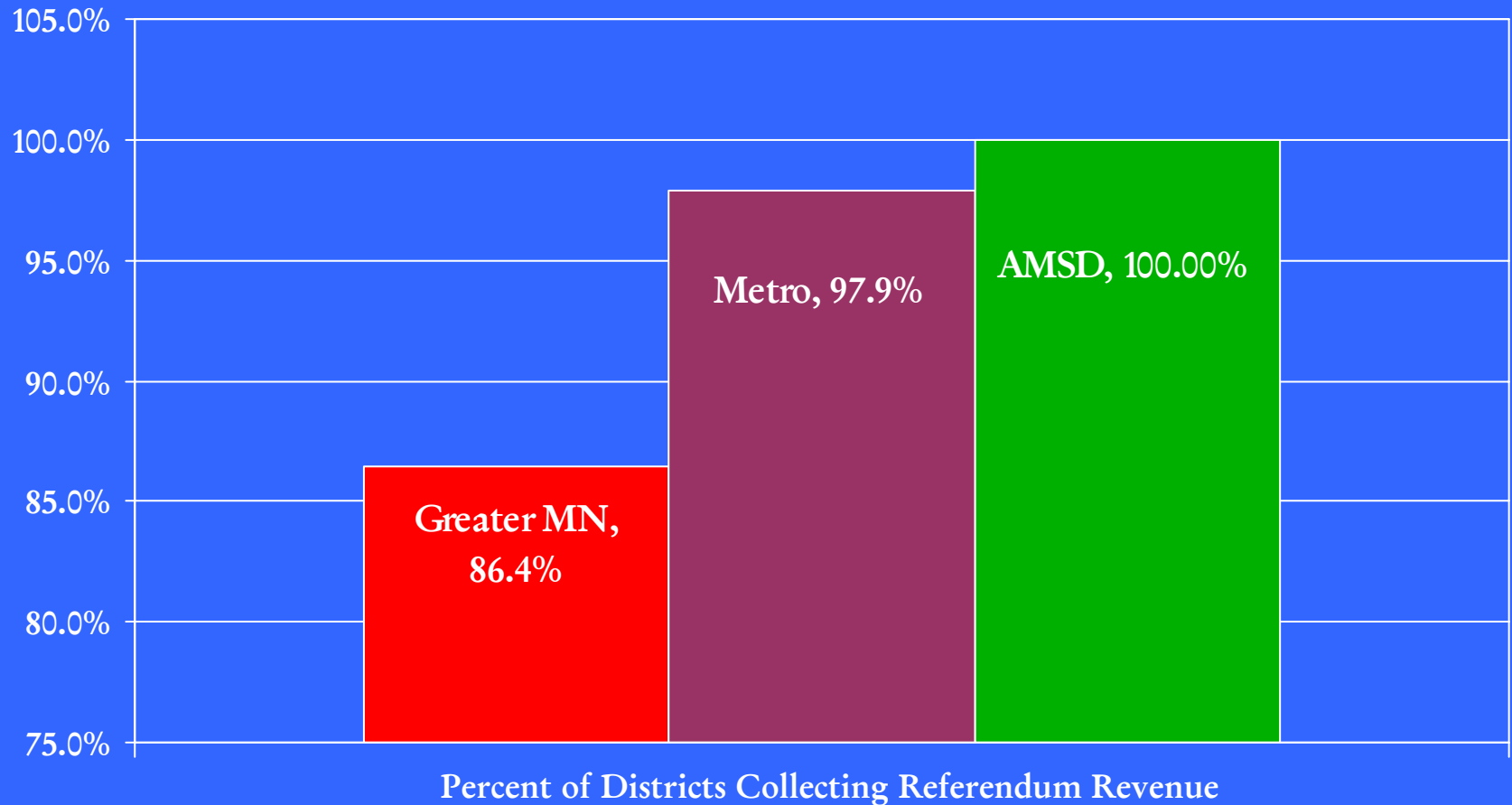
2007 General Education Revenue Per AMCPU

(Without Basic Education Aid and Referendum Revenue)



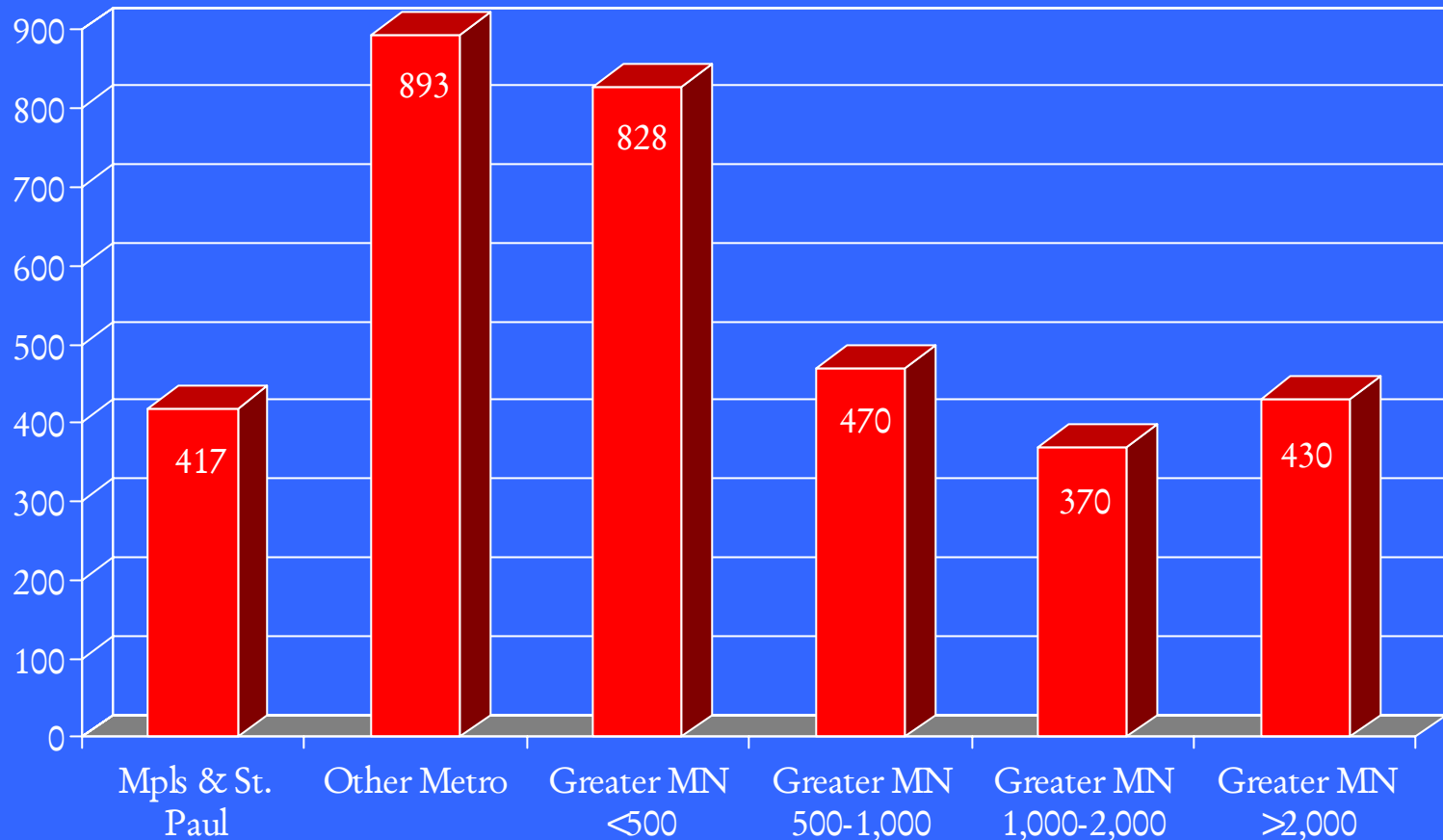
Source: Minnesota Department of Education, "FY2007 General Education Interactive Projection Model (WhatIf)"

Metro Districts Look to Referendum Revenue for Relief (FY2007)



Source: Minnesota Department of Education, "FY2007 General Education Interactive Projection Model (WhatIf)".

Estimated Operating Referendum Revenue Per Pupil, FY2007



Source: Minnesota Department of Education. Pupil units used are resident marginal cost pupil units (RMCPU).

Modernizing Minnesota's Funding System

- Link funding to student achievement of state and federal standards.
- P.S. Minnesota adequacy study provides guidelines for modernization of system.
 - Provides for base formula amount
 - Plus: Adjustments for individual student factors
 - Plus: Adjustments for unique school district factors
 - Plus: Additional components for transportation, capital maintenance, and technology.

Minnesota School District Technology Needs Support

Minnesota received a “D” grade in technology by *Education Week* magazine

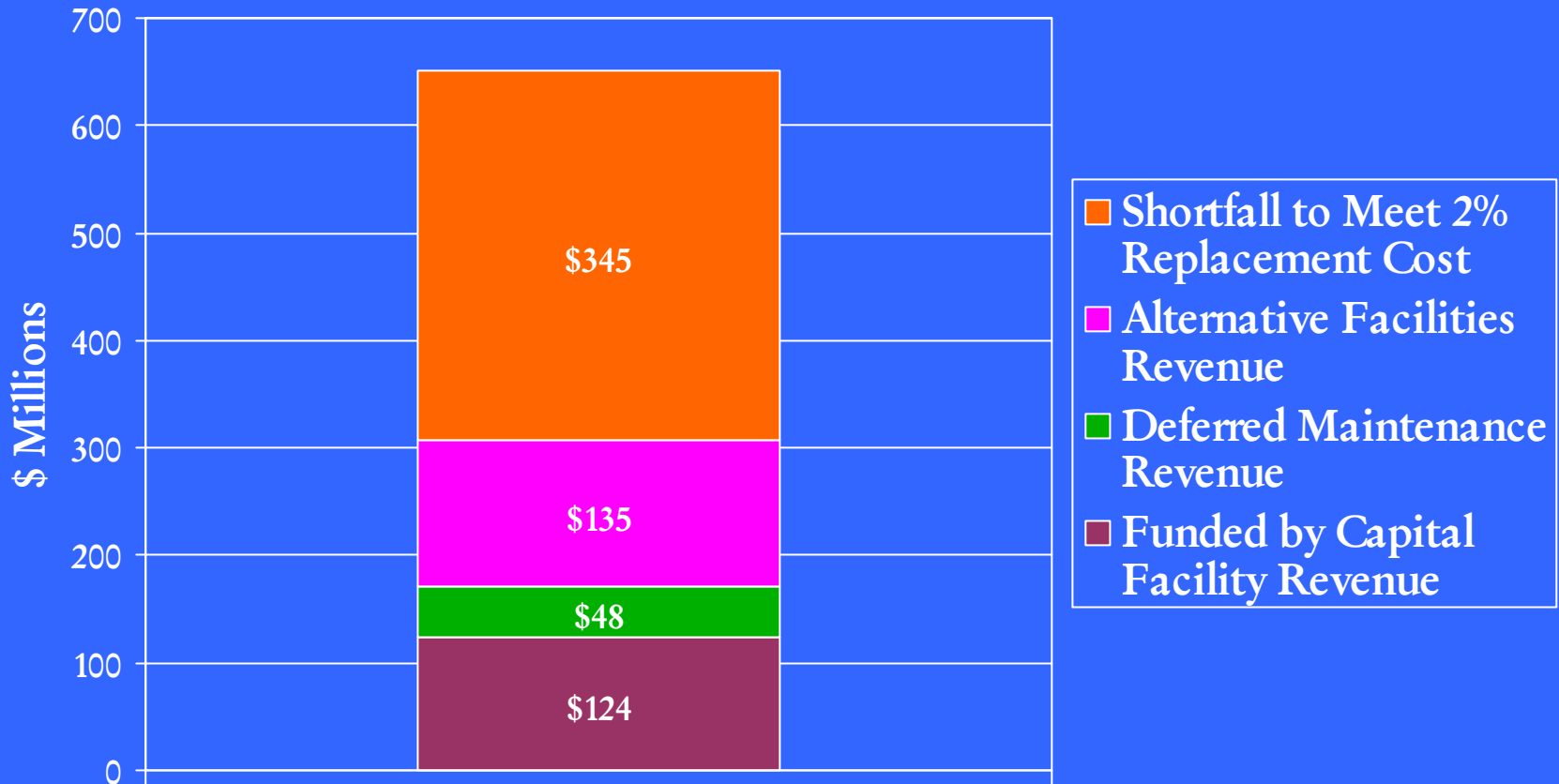
RANKING FOR SELECTED STATES IN ACCESS TO TECHNOLOGY

	Students Per Instructional Computer	Students Per Instructional Computer Located in Classrooms	Students Per Internet-Connected Computer in Classrooms
South Dakota	1	1	1
North Dakota	7	7	7
Iowa	12	17	16
Wisconsin	11	28	28
Minnesota	28	45	43

Source: *Education Week*, “The Information Edge,” May 4, 2006.

Capital Maintenance

Additional resources are needed to preserve existing district assets

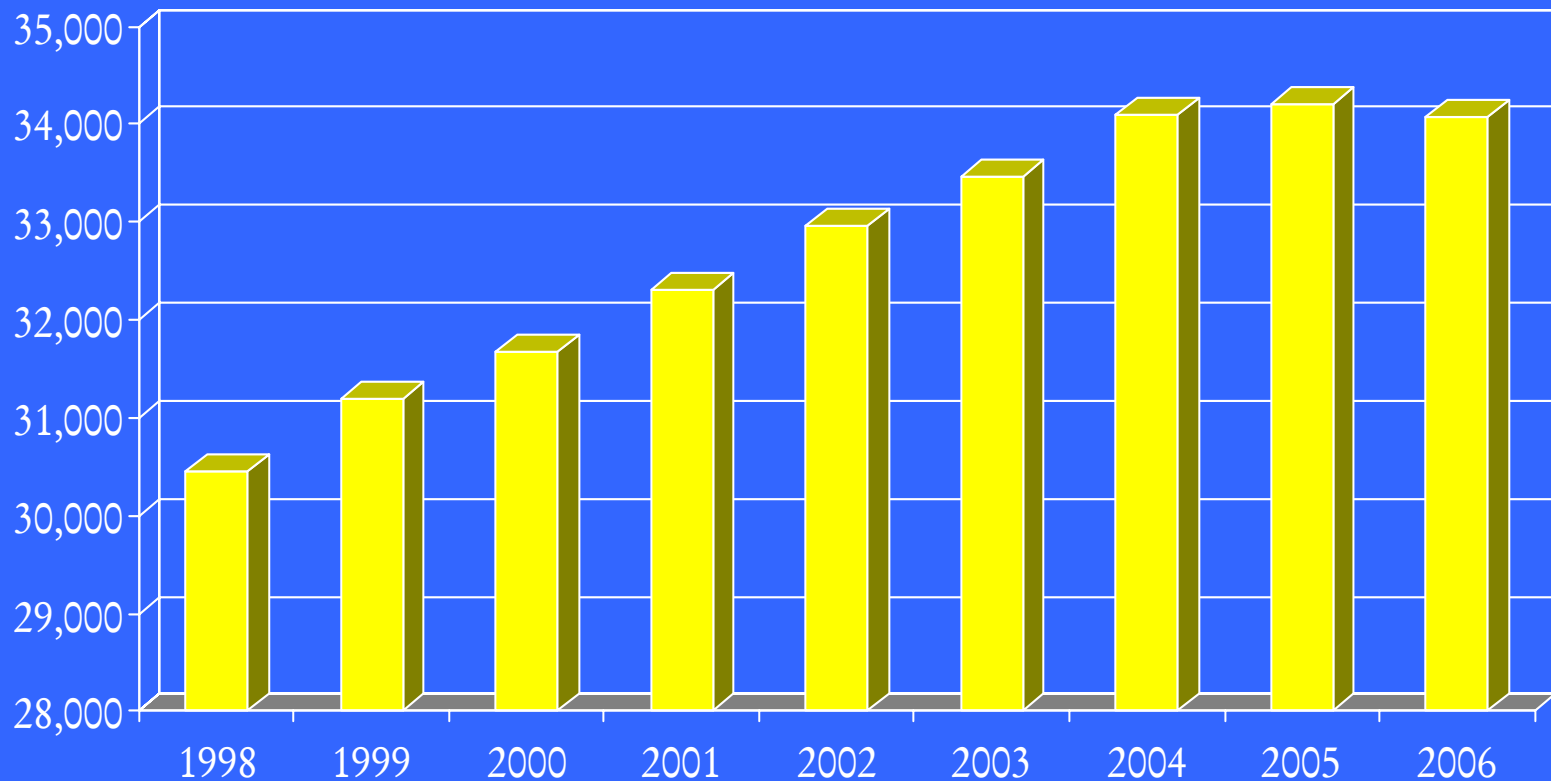


Source: Minnesota Department of Education, Building Age Report; National Research Council.

Fix the Special Education Funding System

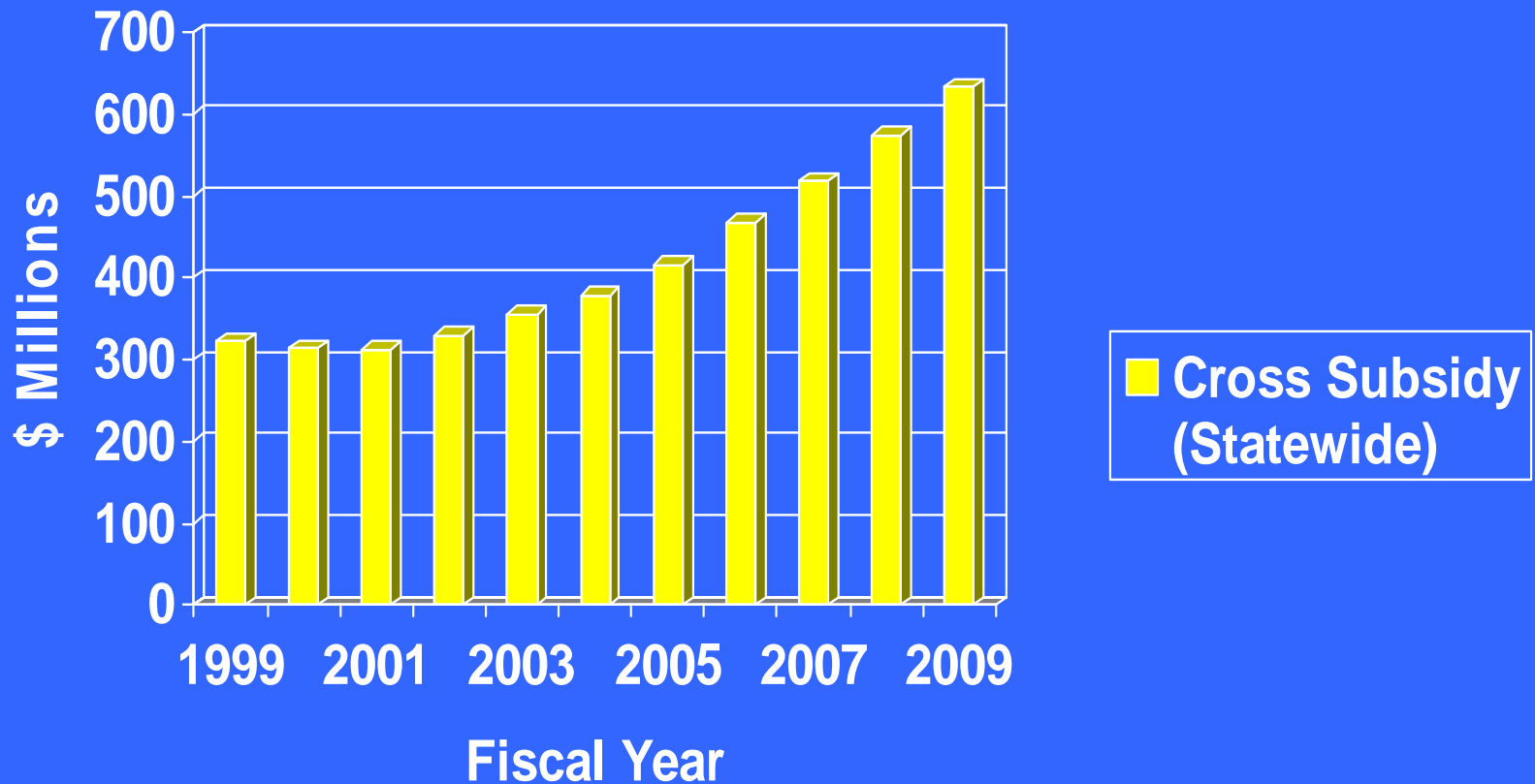
Rising Special Ed Enrollment, Fixed Special Ed Funding Lead to Crisis for AMSD Districts

PreK-12 Special Education Enrollment



Source: Minnesota Department of Education, Fall Population Data, 1997-8 to 2005-6.

Special Education Cross Subsidy Continues to Erode District Budgets



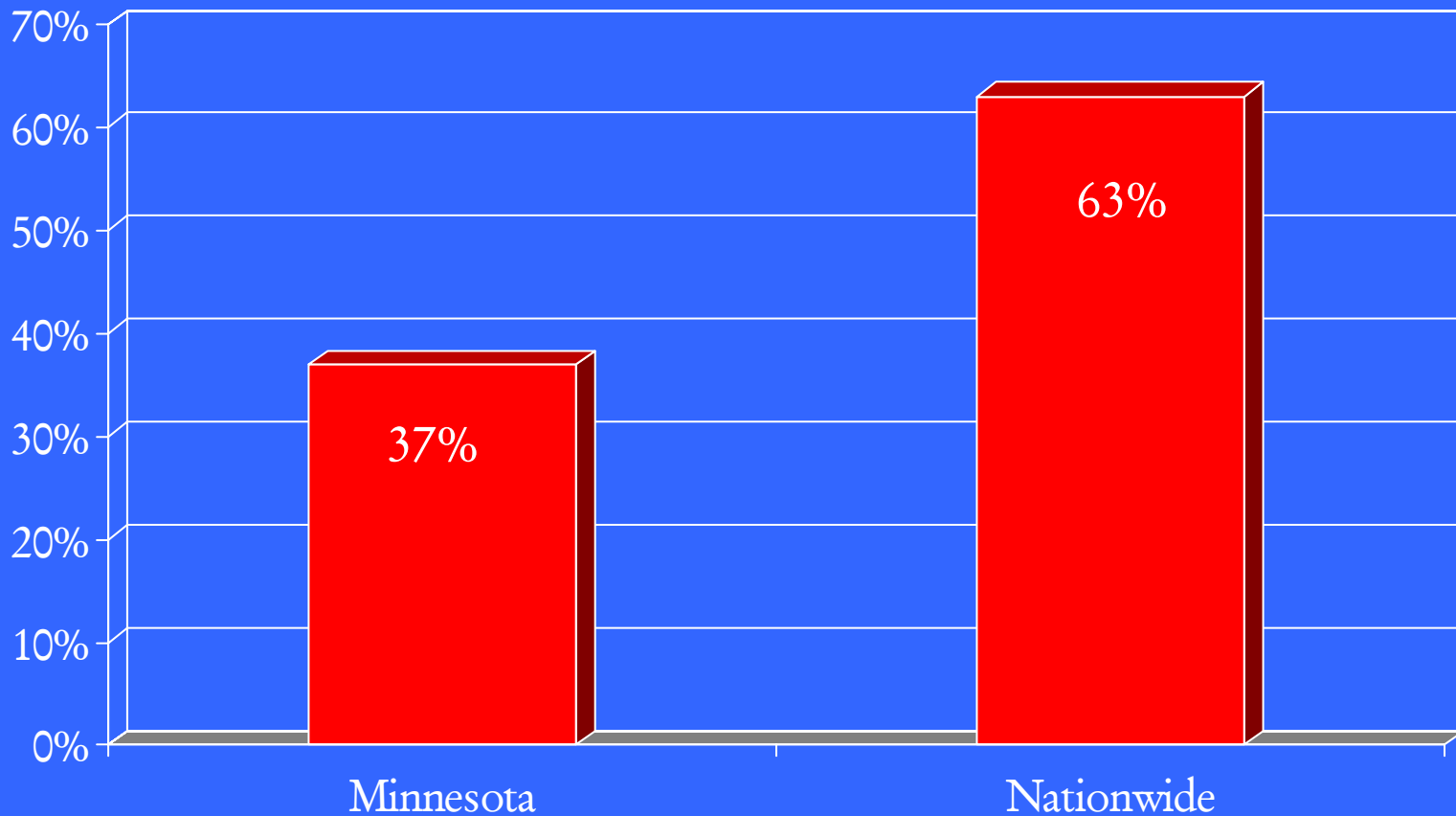
Source: Minnesota Department of Education, "Education Funding Update," presentation given by Tom Melcher, August 2006.

Solutions: Special Education

- Eliminate the appropriation caps for special education and excess cost programs.
- Implement plan to phase out the general education cross-subsidy of special education by 2011.
- Provide funding to allow school districts to implement intervention programs to provide service and reduce special ed identification.

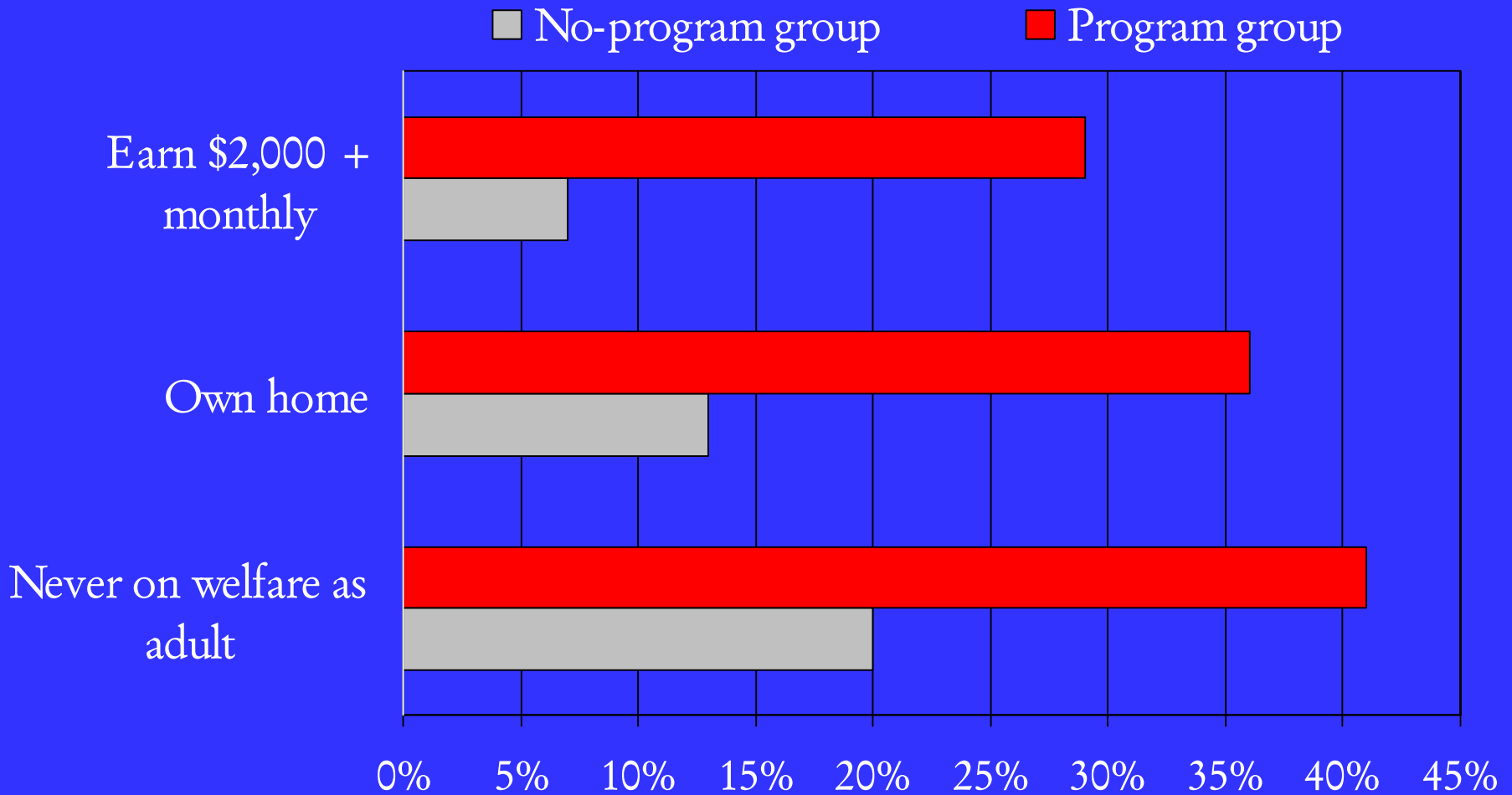
Eliminate the Readiness Gap

Minnesota Full-Day Kindergarten Enrollment Lags Behind the National Average



Sources: Minnesota Department of Education; Minneapolis Foundation.

Rolnick's study of the Perry Project: *Economic effects at age 27*

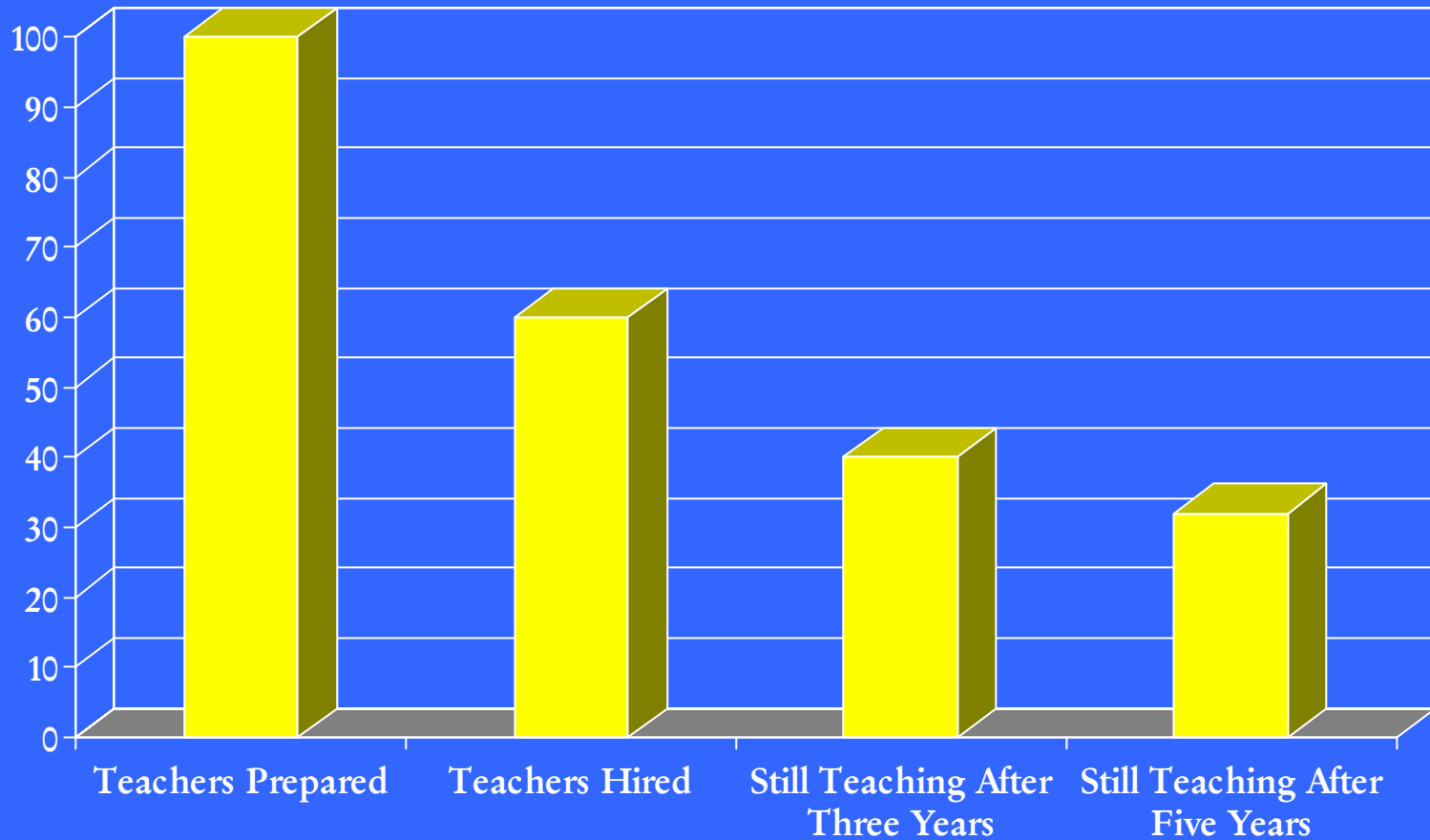


Solutions: Readiness Gap

- Provide funding for all Minnesota children from birth to age five to have access to high-quality education experiences.
- Fund voluntary, full-day kindergarten statewide, and provide assistance to districts lacking the necessary classroom capacity for full-day kindergarten.

Attract and Retain High Quality Teachers

Teacher Attrition: A Typical Group of 100 Teachers



Source: National Commission on Teaching and America's Future, "New Initiatives from NCTAF: Teacher Induction," presentation given January 29, 2006.

Solutions: Quality Teacher Retention

- Create incentives to recruit and prepare teachers in high needs disciplines and local areas.
- Require that all preparation programs meet standards and are aligned with NCLB requirements.
- Provide funding to give each district a comprehensive teacher induction and mentoring program.
- Streamline process and clarify criteria for approval of “Q-Comp” applications.
- Increase funding for “Q-Comp” so that all qualified applications are funded.

**Maintain Local Control and
Reduce Mandates**

Local Control and Mandate Reduction

- Locally elected school boards are in the best position to respond to the unique needs of their communities. A one-size fits all approach undermines innovation, responsiveness, and accountability of locally elected officials.
- Mandates for financial management, curriculum and reporting must have a clear purpose or end use, and be funded when applicable.

Solutions: Local Control and Mandate Reduction

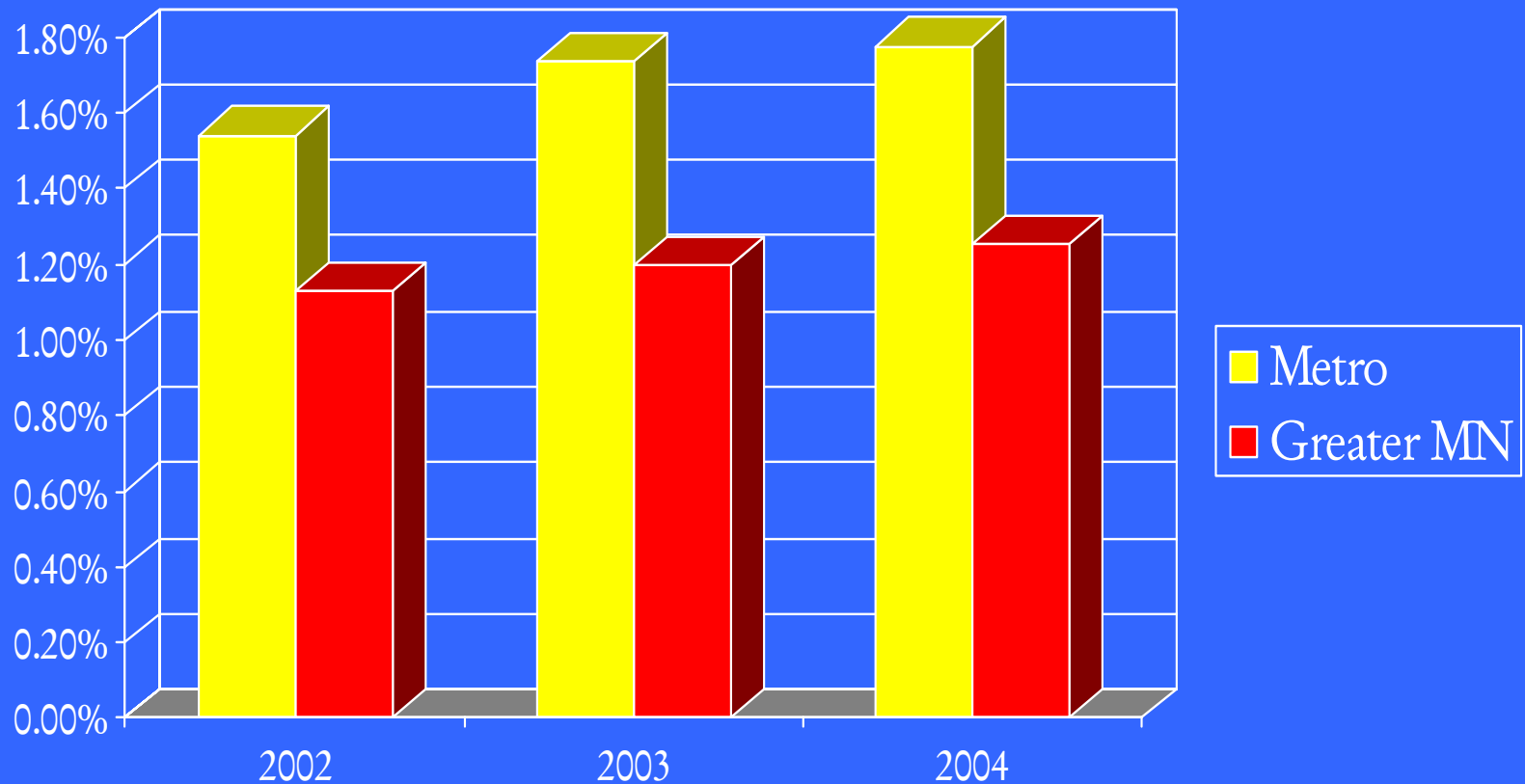
- Continue to allow school districts to have local control and flexibility to design benefit plans that meet the needs of their employees
- Eliminate reports of little value and streamlining reporting requirements whenever possible.
- Require the Department of Education to minimize overlap of the data collected through the five major electronic reporting systems.
- Abolish obsolete reserve requirements that no longer have dedicated revenue streams, complicate accounting efforts and hinder local control.
- Eliminate the mandate that school districts hold primary elections when the number of school board candidates is more than double the number seats on the ballot.

AMSD 2006 Tax Effort Study

Summary of AMSD Tax Effort Study

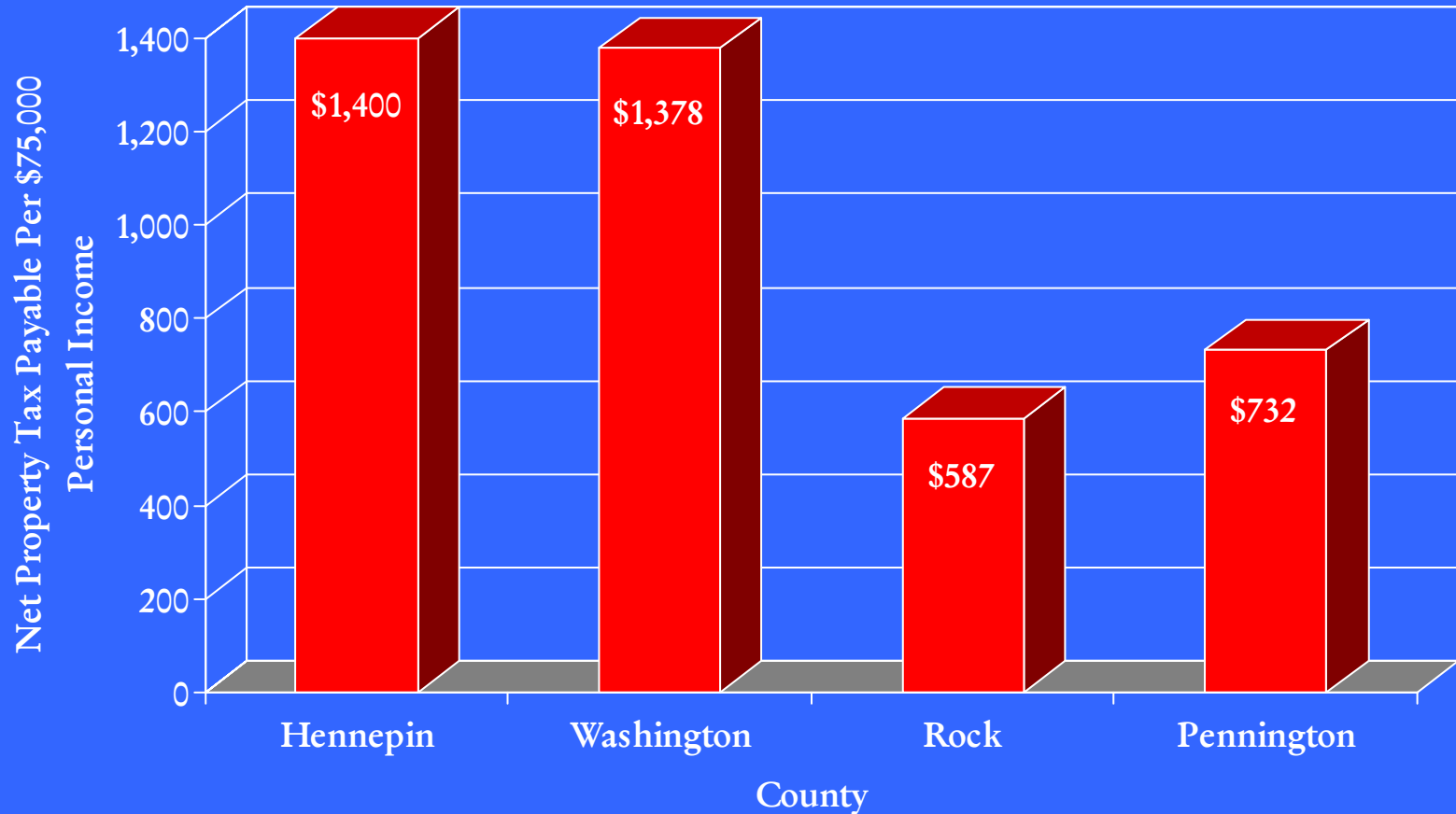
- “Tax Effort” is the proportion of total personal income paid to property taxes.
- As in AMSD studies undertaken in 1995 and 2004, the 2006 study indicates that Metro residents experience a higher tax effort than counterparts in Greater Minnesota.

Minnesota Tax Effort Comparison



Source: Minnesota Department of Revenue, U.S. Department of Commerce, Bureau of Economic Analysis, AMSD analysis. Figures reflect residential property only; for agricultural land, the property tax paid is prorated to reflect the house, garage, and one acre standard used by the Department of Revenue.

Tax Effort Remains Higher in Metro Area



Source: Minnesota Department of Revenue, U.S. Department of Commerce, Bureau of Economic Analysis, AMSD analysis. Figures reflect residential property only; for agricultural land, the property tax paid is prorated to reflect the house, garage, and one acre standard used by the Department of Revenue.

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