

AMSD CONNECTIONS

News and Updates from the Association of Metropolitan School Districts

Mark Your Calendar!

AUGUST 3

AMSD Executive Committee Meeting
7 a.m., TIES Building
St. Paul

AUGUST 10

AMSD Board of Directors Meeting
7 a.m., Grand Hall
TIES Building, St. Paul
Guest Speaker:
Bill Morris
Decision Resources

SEPTEMBER 22

Minnesota Education Summit sponsored by the Alliance for Student Achievement
8:45 a.m. - 3:30 p.m.
Minneapolis Convention Center

AMSD's Mission

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



Association of
Metropolitan School Districts



Governor Tim Pawlenty and Orono Community Education Director Melanie Deluca visit with students participating in the Big Island Summer Institute July 19 aboard the Queen of Excelsior. The governor came to Lake Minnetonka to officially recognize Big Island as a public park. In addition to the students, among those attending the ceremony were officials from the City of Orono, Jeffers Foundation, Minnehaha Creek Watershed District and Orono Schools. Earlier this year, the City of Orono purchased the Veterans Camp on Big Island. The city and Orono Community Education co-sponsored Big Island Institute, an environmental day camp on the island.

Big Island teaches students about the "big picture"

This summer, Big Island taught students about the environmental "big picture." Orono Community Education, the City of Orono and other organizations partnered to create Big Island Institute, a day camp to teach young people about conservation and stewardships of the land, water and history.

Earlier this year, the City of Orono purchased the Veterans Camp on Big Island to create a public park. "Our vision was to create a park that will become hallowed ground where people can partake in the history and scenery of the land," says Jim Murphy, an Orono City Council member. "The park was created for the use of everyone, not just Orono."

The Big Island Institute fulfills those goals. Students in grades 3–8 experience nature and the importance of conservationism. Teachers and students alike practice the "leave no trace" philosophy. The classroom and all supplies are portable. Students travel by pontoon, led by Captain Gabriel and the Lake Minnetonka Sailing School crew.

(cont'd page 2)

From the Chair

It is not surprising that between seven and ten AMSD member districts will be seeking additional operating levy authorization from voters this fall. And they are certain to have plenty of company from school districts throughout the state. In fact since 1980, the percentage of districts that rely on operating levies has grown from 22% to over 88% of the districts across the state.

We all understand the importance of grassroots community support to pass these levies. But the support of our citizens has become more important than ever. Why? The 2005 Legislature factored in passage of local referenda as a part of its plan for funding our schools. That's right. State policymakers actually count on citizens passing school operating referenda as a key component of paying for education in Minnesota. This means that school districts will be bringing referenda to voters to support core academic programs, not for extras.

So what is the answer? For the short term, the answer is to make sure citizens understand that their support of local referenda is absolutely crucial because that is how the State has chosen to pay for our schools.
(cont'd page 2)

From the Chair

(cont'd from page 1)

The long-term answer is to convince policymakers to adequately fund public education. A lot of progress has been made over the past few months in this regard through the work of the adequacy funding study group of which AMSD has been a key player. Watch for updates on this important initiative in the coming months.

Jane Eckert, school board member from St. Anthony/New Brighton, is chair of the Association of Metropolitan School Districts.

Big Island teaches students about the "big picture" (cont'd from page 1)

"It is so wonderful to see the kids jump off the boat and run onto the weeds on the island," says Dan Creer, board president of the Lake Minnetonka Sailing School. After they bring all the supplies to land, the exploration begins.

"The kids' favorite experience on the island is exploring and being the only humans around, something they can only experience on Big Island," says Marleane Callaghan, institute coordinator and lead instructor. "It makes the kids appreciate nature so much more. Now, they get angry when they see trash laying around."

"In my personal opinion, I think it is important to learn about habitat and respect nature so they don't just dump their trash on the island," says Lindsey Manhart, a member of Orono Rotary. The Orono Rotary, Mound Rotary and Rotary District 5950 also donated money to the project.

In practice with "leave no trace," students usually just observe the wildlife. Fish and

bugs are released after the catch. However, island inhabitants can be very curious about the students.

"The coolest thing I saw was a wild turkey," says Kylie Gullett, a sixth-grader. "We were walking through the tall grass and a wild turkey popped out of the brush! We all screamed and it ran away." The students other favorite activities include catching bugs, measuring tree circumferences and observing a decomposing muskellunge that teach the kids about nature.

"The most important thing about the institute is stewardship of the land and the necessity of preserving our sphere of influence," says Mike Fairbourne of the Jeffers Foundation, which provided necessary financial support. "The goals of the institute connected with our goal to enhance the environmental curriculum for schools." With the help of the Jeffers Foundation, students from the Prior Lake-Savage Area Schools and

Northrup Environmental School in Minneapolis joined local students at the camps. Scholarships were also available to children. Each Orono council member agreed to sponsor two students.

"This gives kids a chance to come that otherwise wouldn't be able to," says Melanie Deluca, director of Orono Community Education. "The camp is open to all students from all places."

It took the cooperation, work and vision of many groups to make Big Island Institute feasible. "We are so appreciative of the many organizations, businesses and individuals that have made this program possible," adds Deluca. In addition to Rotary and the Jeffers Foundation, the Freshwater Society is a major sponsor and many other groups such as the Long Lake Chamber, West Marine and others have supported this new program.

This month's member feature was written by Ashley Peterson, graduate of Orono High School.

Research Notes

Auditor's Report Identifies School Budget Challenges

On June 26, State Auditor Patricia Anderson released a report entitled "Financial Trends of Minnesota School Districts and Charter Schools," presenting certain financial measures for districts in the five years ending June 30, 2005. The report identifies many of the same issues and challenges the Association of Metropolitan School

Districts has been working on for years. Specifically, the press release accompanying the report highlighted three findings.

1. Special education is a key contributor to stress on school districts' financial resources, the Auditor found.

For several years, school board members, super-

intendents and business managers have worked hard to draw attention to special education finance in Minnesota. Special education costs rose over 31% during the five-year study period while special education enrollment increased by less than 6%.

Growing costs are particularly significant to

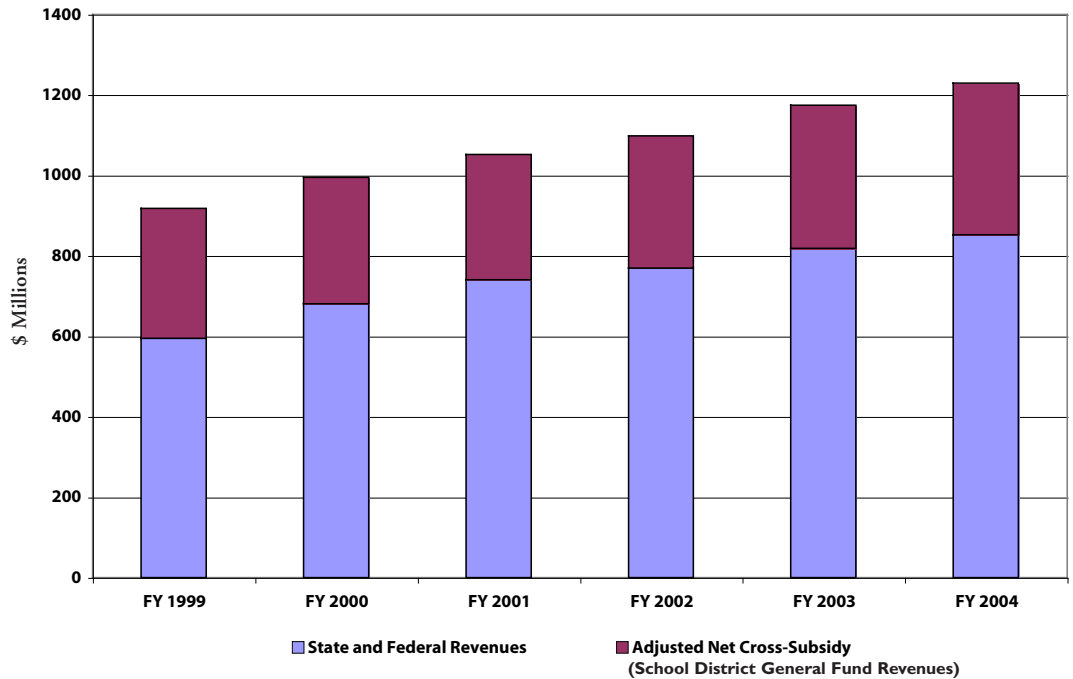
school districts because funding has not kept pace with the costs associated with the special education services mandated by the federal and state governments. This has forced school districts to subsidize special education programs with resources intended for regular education programming.

(cont'd page 3)

The gap between expenditures and revenues, or the “adjusted net cross-subsidy,” has grown from \$311 million in FY01 to \$377.5 million in FY04, the last year for which figures are available. The special education cross-subsidy is, as the State Auditor suggests, a very significant issue of public finance for Minnesota to resolve and is a primary reason for the budget challenges facing Minnesota school districts.

2. **“Enrollment decline continues, spending increases,” reads another finding.** The report notes that during the study period, Minnesota districts experienced a 2.3% decline in aggregate enrollment and an increase in per-pupil operating expenditures of 16%, before adjusting for inflation. The math involved here explains part of the dynamic: The 2.3% decline explains 2.3% of the per-pupil operating expenditure increase. The remaining increase is 13.7%, dividing by four years is 3.4%, which happens to match the inflation level in calendar years 2000 and 2005.

Sources of Minnesota Special Education Funding



3. **“Employee benefits have helped drive spending by increasing 29.7%.”** School districts, like all organizations large and small, have been grappling with significant increases in health care costs, which have come to dominate benefit expenses. According to the Minnesota Department of Health, private health insurance premiums rose over 56% between calendar years 2001 and 2005. The Department of Employee Relations reports that the State Employee Group Insurance Plan (“SEGIP”),

in which the Office of the State Auditor employees participate, has experienced an increase in premiums of 46% during the same period. An employee benefit increase of nearly 30% is significant and a challenge for school district budgets, but in the market environment such a figure represents fiscal prudence.

The State Auditor’s report affirms what AMSD and other education groups have stressed in recent years related to school districts’ being forced to stretch resources to meet

the State’s responsibility in the area of special education. In addition, the Auditor’s report highlights the challenges in the areas of managing health care costs and fixed operating costs in an environment of gradual enrollment declines. AMSD stands ready to work with state policymakers on these critical issues and help the State fulfill its obligations to Minnesota’s students.

Members of AMSD include: Bloomington, Brooklyn Center, Burnsville, Chaska, East Metro Integration District 6067, Eden Prairie, Edina, Elk River, Fridley, Hopkins, Intermediate District 287, Inver Grove Heights, Mahtomedi, Minneapolis, Minnetonka, Mounds View, North St. Paul/Maplewood/Oakdale, Orono, Richfield, Robbinsdale, Roseville, Shakopee, South St. Paul, Spring Lake Park, St. Anthony/New Brighton, St. Louis Park, St. Paul, Wayzata, West Metro Education Program, Joint Powers School District 6069 and West St. Paul.