

**Executive Summary:** The Northfield School District is experiencing declining enrollment and chronic state underfunding. The district made a substantial budget adjustment in 2022 to address these fiscal issues from a position of strength. The district's excellent financial management has been recognized, including earning the AA+ bond rating from Standard & Poor's — very few school districts in the state have achieved a better bond rating than Northfield. However, we must continue acting to maintain the district's commitment to stewardship and a financially responsible system. **The current budget reduction target is \$2.5 million for 2023-24.**

Budget reductions are difficult in schools. Every program has value. Our school district is diligent about being fiscally responsible and excellent stewards of our resources. You can rarely reduce a school district's budget without impacting people because we hire people to do good things for kids. The district sincerely regrets that reductions are necessary. However, it must take appropriate steps to sustain as much programming as possible in the long term.

### Why will there be budget reductions?

- **Declining enrollment continues to be a serious problem.** This year, we have 245 fewer students than in 2018-19. This decline has resulted in approximately \$2.45 million less revenue this year. [Our most recent demographic study](#) indicates enrollment will continue declining in the next several years.
- **The state has not kept up with inflation.** The state provides approximately 70% of the district's revenue each year. Since 1990, there have been only a few years when the general education revenue formula increase has equaled or exceeded the inflation rate. If the state had increased the formula with the inflation rate, the district would have \$6.7 million more in revenue this year.
- **Inflationary pressure is real.** For example, our property insurance premium was proposed to increase by \$50,000 this year. While our rates remained the same, the replacement value of our property increased by \$62 million over the last year to \$315 million.
- **Special education cross-subsidy.** The special education cross-subsidy is the amount of money the district spends on legally required (and morally imperative) services for students with disabilities that are not reimbursed (as promised) by the state or federal governments responsible for the mandates. Northfield's cross-subsidy is approximately \$5 million annually. The special education cross-subsidy is a stark example of how underfunded state and federal mandates force budget reductions at the local level.

### How are the priority-based budget reduction recommendations created?

- In 2022, 72 staff, students, parents, and community members participated in a community-wide priority-based budgeting team. Using the district's adopted strategic plan, this team worked together over four meetings to develop budget priorities for elementary schools, secondary schools, and district services.
- Administrators used the 2022 budget teams' priorities to develop 2023-24 reduction recommendations for the board's consideration.

### Is there an opportunity for public feedback?

There are several ways to provide public feedback:

- You can make public comment at any board meeting. Review the district's guidelines for public comment at <https://northfieldschools.org/about/school-board/meetings/> under the "Public Comment at a School Board Meeting" tab.
- The board will hold public hearings on March 16 and 23 from 6—8 pm at Northfield Middle School.
- You can email the school board at [board@northfieldschools.org](mailto:board@northfieldschools.org)

### **What about the capital projects levy passed in November? Or the state legislature providing more funding?**

- The district's capital projects levy was renewed and expanded in Nov. 2022. As shared during the levy campaign, most of these funds are used to maintain and improve facilities and grounds and purchase materials and equipment to support students and staff. A portion of the new revenue will relieve pressure on the general fund by paying the salaries and benefits of eligible technology services staff. Additionally, this increased revenue is not received until the 24-25 school year.
- The state legislature has proposed several bills to provide schools with additional funds. Because the state funds schools based on enrollment, any current proposed bills that may become law would minimize future reductions but have limited impact on next year's budget. While we hope our enrollment stabilizes in the coming years, we will make necessary changes to ensure the long-term financial health of the school district. Due to declining enrollment, the district has engaged in deficit spending for the past three years and progress toward a balanced budget is responsible to our stakeholders.

### **What is the timeline?**

Here is the budget timeline.

- a. Jan. 23: financial forecast presented to the board
- b. Jan. 24-Feb. 22: the district's leadership team develops reduction proposals based on the 2022 budget prioritization team's priorities.
- c. Feb. 23: initial list shared with staff members and in the board packet.
- d. Feb. 27: budget reduction list presented at the board meeting.
- e. March 13: Board meeting
- f. March 16: Public hearing
- g. March 23: Public hearing
- h. April 10: Board authorizes budget reduction package
- i. May 8: Board general fund budget presentation
- j. May 22: Board approves general fund budget for 2023-24

### **Questions?**

You can direct any questions about the priority-based budget reduction process or reduction recommendations to [Superintendent Matt Hillmann](#) and [Director of Finance Val Mertesdorf](#).

**ELEMENTARY PACKAGE**

**Priority Statements**

- 27 - Maintaining current special education spending without increasing spending
- 24 - K-3 class sizes of 20 or less and 4-5 class sizes of 23-25
- 22 - High quality early childhood education, full day preschool section at the NCEC.
- 22 - Access to science, music and art in addition to core curriculum.
- 21 - Lowering the district fund balance as a measure to address competing priorities.
- 17 - Looking at how EL services can continue but better assist students in the classroom (what does a caseload look like?)
- 15 - Maintaining classroom support such as behavioral coaches and math & reading coaches.
- 13 - Gifted education
- 9 - Using curriculum in the classroom that is appropriate for students at all levels of learning in an effort to keep all students in the classroom as much as possible.
- 5 - Small class sizes on par with current district ratios.
- 3 - K-2 class sizes of 20 and 3-5 class sizes of 25.

LINE ITEM	RECOMMENDATION	CATEGORY	ANTICIPATED AMOUNT	EDUCATIONAL IMPACT
1	Discontinue elementary Portage	Licensed Staff	\$220,000	While we are working on a cooperative approach to online learning with regional partners, we may lose these students to another district/venue.
2	Reduce 6 elementary section due to declining enrollment	Licensed Staff	\$600,000	The projected average K-3 class size is 21.5 and 4-5 is 22.5. This will require shifting of staff and we may lose quality non-tenured teachers.
		<b>TOTAL</b>	<b>\$820,000</b>	

**SECONDARY PACKAGE**

**Priority Statements:**

- 41 - Continued support for mental health by licensed professionals.
- 40 - Keeping kids in the district through creative scheduling. Access to credit and flexibility
- 37 - Core class size to have a max of 30 and min of 20 for electives.
- 35 - A variety of electives that interest all 6-12 students and engage them.
- 34 - Co-curricular activities (6-12).
- 33 - Recruiting & maintaining a diverse staff and ensuring their access to mental health supports.
- 33 - Continued support for underserved and at-risk students.
- 20 - The kids "in the middle" (so they don't have the largest class size, they get a robust curriculum, etc.).
- 9 - Sustained funding for media centers.
- 6 - Safety.

LINE ITEM	RECOMMENDATION	CATEGORY	ANTICIPATED AMOUNT	EDUCATIONAL IMPACT
3	Reduction in FTE at NHS based in student numbers per course (Targeting class numbers below 20)	Licensed Staff	\$310,000	Potential class size increases, loss of some class choices due to lower registrations.
4	Reduce the credit recovery educational assistant position at NHS	Non-Licensed Staff	\$40,000	This reduction lessens support for students making up lost credits.
5	Reduce 3 special education educational assistants and replace with 1 special education teacher at NMS	Non-Licensed Staff	\$20,000	This reduction will consolidate unfilled EA positions and replace them with one teacher. A teacher will provide specialized instruction but direct support may be more limited than in the past.
6	Reduce 3 special education educational assistants and replace with 1 special education teacher at NHS	Non-Licensed Staff	\$20,000	This reduction will consolidate unfilled EA positions and replace them with one teacher. A teacher will provide specialized instruction but direct support may be more limited than in the past.
7	Discontinue the secondary Portage program	Licensed Staff Non-Licensed	\$340,000	While we are working on a cooperative approach to online learning with regional partners, we may lose these students to another district/venue.
8	Discontinue secondary Portage software	Non-Salary	\$65,000	This software becomes unnecessary with the Portage program reduction.
9	Reduce Science Olympiad at NHS	Co-curricular	\$6,131	This program has not had participants for several years.
10	Reduce Math Team at NHS	Co-curricular	\$4,978	This program has not had participants for several years.
11	Increase activity fees by \$5.00 for each activity	Co-curricular	\$6,000	Students will pay additional fees to participate in activities.
12	Increase ticket prices for admission to activities by \$1.00	Co-curricular	\$25,000	Fans will pay one dollar more for tickets to activities.
13	Reduce the use of coach buses for activities	Co-curricular	\$60,000	Regular school buses are less comfortable for traveling longer distances, don't have the same storage capability, and do not have wi fi access.
14	Discontinue after school activity bus	Co-curricular	\$25,000	Students will be responsible for their own transportation to their practice site if it is not at the school they attend.
15	Reduce extra days for counselors from 15 to 10 days	Licensed Staff	\$10,000	While there are fewer days available for each counselor, the increase in counseling staff mitigates some of this impact.
16	Reduce HS Attendance Administrative Assistant scheduled hours from 1,872 to 1,463	Non-Licensed Staff	\$10,394	This staff member will have less time to prepare for the school year and to bring the school year to closure.
17	Replace Randolph Agriculture Education option with a class at NHS	Non-Salary	\$16,640	Students would have access to an Agricultural Education program in Northfield instead of traveling to Randolph during part of the school day.
18	Reduce 1 Administrative Assistant at the ALC	Non-Licensed Staff	\$33,000	This reduction is partially due to the reduction in Portage. It will add more work to the remaining ALC office staff.
19	Partial reduction in software costs for credit recovery	Non-Salary	\$14,000	This reduction will reduce the number of concurrent licenses available for credit recovery.
20	Reduce Academic Advocate position at ALC	Licensed Staff	\$80,000	This reduction will lessen the amount of student support at the ALC but is mitigated by maintaining a full-time counselor there.

21	Restructure NMS schedule to a 6 period day (currently 7)	Licensed Staff	\$200,000	Grade 6 teams will move from five core teachers to four core teachers. This arrangement could take place in a variety of ways yet to be determined. Grade 6 music programs would move to meeting every day instead of every other day.
22	<a href="#">Reduce all MS activities</a> with the exception of Student Council and WEB (6th grade transition program)	Co-curricular	\$125,000	Reducing after school activities limits student opportunities. Community Education is reviewing how local intramural programming could fill this void.
23	Reduce psychologist overload at NMS	Licensed Staff	\$20,000	Reduce additional duties being performed by the school psychologist, such as lunchroom supervision.
24	Change NMS Spanish elective to every other day (Amistades)	Licensed Staff	\$20,000	Grade 7 and 8 Amistades would move to an every other day elective instead of every day as it has been. It would require a teacher to be shared between NMS and NHS.
25	Move Will program educational assistant to A&I funding	Non-Licensed Staff	\$29,000	We will utilize Achievement & Integration funding to support this position.
		<b>TOTAL</b>	<b>\$1,480,143</b>	

**DISTRICT SERVICES PACKAGE**

**Priority Statements:**

- 24 - Funding innovative strategies that will help reduce the number of students needing special education services.
- 21 - The use of technology e-Learning to promote learner outcomes.
- 21 - That each building has the bilingual people and systems (telephones) that allow for Spanish-speaking families to connect with their child's school.
- 19 - The hiring of diverse staff.
- 19 - The emphasis on providing diverse learning paths for students.
- 18 - Technology services
- 17 - Data driven and results oriented curricular materials, selection and procurement and instruction strategies.
- 15 - Student mental health/well-being.
- 14 - Staff who work directly with students, families, and staff on a daily basis; bus drivers, tech specialists.
- 13 - Community partnership (HCI, Hospital, etc.)
- 13 - Safe, reliable and efficient transportation to and from school.
- 9 - Safe, clean, and functional buildings.

LINE ITEM	RECOMMENDATION	CATEGORY	ANTICIPATED AMOUNT	EDUCATIONAL/PROGRAM IMPACT
26	Reduce the child nutrition administrative assistant, combine duties with district office receptionist	Non-Licensed Staff	\$36,299	Realizing improved systems efficiencies.
27	Switch absence management and time tracking software	Non-Salary	\$6,000	The new software is less expensive and will provide enhanced administrative and staff functionality
28	Transfer buildings & grounds equipment budget to capital projects levy	Non-Salary	\$60,000	Utilize the increased capital projects levy in FY25 to implement the ten year equipment plan. No equipment outside of operating capital will be funded in FY24.
29	Discontinue Schools for Equity in Education (SEE) membership	Non-Salary	\$5,700	Duplicate legislative advocacy
30	Discontinue financial forecasting software	Non-Salary	\$20,000	Implementing in-house process
31	Charge allowable percentage of finance and HR software to operating capital	Non-Salary	\$9,000	Positive impact on General Fund
32	New B&G Work Order system	Non-Salary	\$2,000	The new software is less expensive and will provide enhanced administrative and staff functionality
33	Reduce communications/PR budget	Non-Salary	\$17,700	Reorganization of communications services
34	Discontinue hot spots	Non-Salary	\$10,000	Families needing internet service support can utilize other community partner resources
35	Change process for back up of Google Suite data	Non-Salary	\$6,000	Eliminating extra redundancy in systems
36	Eduvision — move to YouTube	Non-Salary	\$1,500	Moving to a free vendor that provides the same service.
37	Eliminate Star testing at NMS	Non-Salary	\$10,000	Staff will use state testing data for instructional purposes.
38	Reduce volunteer coordinator position - run through buildings	Non-Licensed Staff	\$16,500	Volunteers will be organized at the building level.
39	Discontinue Amity Intern program	Non-Licensed Staff Non-Salary	\$13,500	The reduction will decrease the amount of small group support for the Companeros program.
		<b>TOTAL</b>	<b>\$214,199</b>	
		<b>GRAND TOTAL</b>	<b>\$2,514,342</b>	

**2022-23 PRIORITY BASED BUDGET PROCESS | REDUCTIONS TO BE IMPLEMENTED IN 2023-24**

	Reduce transportation budget	Non-Salary	\$350,000	This will reduce the transportation contract approximately 10%. The district will review strategies with Benjamin Bus that could include charging for transportation less than two miles from school and increases in walk boundaries beginning in the 2023-24 school year
	Reduce HS Parking Lot & Security Monitor	Non-Licensed Staff	\$50,000	It will eliminate an 7.50 hour per day position that provides high school administration support related to building security and monitoring parking lots
	Reduce small group reading support at BW	Licensed Staff	\$40,000	The reduction will decrease the amount of small group or individualized reading instruction offered at Bridgewater.
	Reduce additional behavior coach at GVP	Licensed Staff	\$90,000	The reduction will eliminate one of the two behavior coaches at Greenvale Park. Greenvale Park is the only elementary school with more than one behavior coach.
		<b>TOTAL</b>	<b>\$530,000</b>	

## **Middle School Activities Elimination**

**2/28/2023**

The following middle school activities are part of Line Item No. 22 in the priority-based budget reduction recommendations. Please contact Northfield Middle School principal Greg Gelineau with any questions.

### **Fine Arts Activities**

-MS Musical/Drama Club

### **Academic Activities**

-Yearbook Club

-Math League

-Knowledge Bowl

-Speech Team

-Spelling Bee

### **Fall Sports**

-Football

-Boys & Girls Soccer

-Volleyball

-Girls Tennis

-Fitness Center

### **Winter Sports**

- Wrestling

- Fitness Center

### **Spring Sports**

-Boys & Girls Track

-Boys & Girls Golf

-Boys Tennis

-Fitness Center