

Anoka-Hennepin Schools

Phase 2 Budget reduction, realignment, and adjustments

September 2024

Anoka-Hennepin schools announced a two-phase reduction and realignment plan in February 2024 with a preliminary goal of reducing \$30 million from district expenditures in the 2025-26 budget.

Phase 1: District administration identified a convergence of factors that led to a budget imbalance that needed to be addressed prior to the 2025-26 school year. Between February and April, a plan to adjust \$5.1 million from central office functions and district administration was activated with the goal of reducing the impact of Phase 2 reductions for the following year. The budget target was also reduced to \$26 million during this process. A complete table of these adjustments is included following the Phase 2 draft recommendation in this document. In summary, these adjustments include:

- Elimination of 40 positions,
- Realignment of nearly 8 full-time positions to other funding sources away to create capacity in the General Fund, and,
- Operations reductions of \$1.1 million in areas such as transportation and district technology.

Phase 2: The School Board endorsed a process for reviewing community feedback into draft Phase 2 considerations prior to approval. Phase 2 considerations include an additional \$8 million adjustment in central services following School Board direction to limit direct impacts to classrooms to the extent possible. In pursuit of that goal, the reduction total in the initial draft is nearly balanced between central services and district level adjustments in relation to school site impacts. The Phase 2 budget target was set at \$21 million following these planning parameters:

Total budget reduction, realignment and adjustments

Area	Budget impact
Elementary	\$4,250,000
Middle schools	\$3,500,000
High schools	\$4,500,000
Central Services (Phase 1)	\$5,000,000
Central Services (Phase 2)	\$8,750,000
Total	\$26,000,000

Phase 2 Reductions

Budget area	Impact	Description	Reduction Amount
K-12 class size impacts			\$12,250,000.00
	Elementary school: Increase average class size by 1 student	Class size increase by 1 student, grades K - 5	\$1,280,000
	Middle school: Increase average class size by 4 students	Average class size increases from 29 to 33	\$2,940,000
	High school: Increase average class size by 5 students	Average class size increases from 29 to 34	\$4,500,000
Other K-12 site reductions			
	Other elementary school impacts	Instructional coaching, math and literacy interventions and enrichment programming.	\$2,970,000
	Other middle school impacts	Instructional coaching and academic interventions.	\$560,000
Total reductions			\$12,250,000

Budget area	Impact	Description	Reduction Amount
Central Services			\$5,830,000
	Districtwide staff and non-staff reductions	District will reduce staffing and services in a plan under development. Detailed information will be shared during the draft final proposal on October 28.	\$4,830,000
	Districtwide administration reductions	District will reduce staffing and services in a plan under development. Detailed information will be shared during the draft final proposal on October 28.	\$1,000,000

Total reductions			\$5,830,000
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Realignment to other budgets

The positions remain in place, they are coded to accounts other than the General Fund Unassigned, or to reimbursable codes to generate additional special education revenue.

NOTE: Realignments included in this draft proposal are all included in the Central Services budget total.

Budget area	Impact	Description	Reduction Amount
Child Nutrition	Puts the responsibility on schools to track all paraprofessional cafeteria supervision hours for CNP fund reimbursements.	Realignment of Child Nutrition Program funding following MDE guidelines.	\$400,000
Technology	Creates need to modify funding sources and replacement cycles for student technology.	Realignment of staff positions from the General Fund to the Capital Projects Levy: \$400,000	\$400,000
Community Education	Community Education is absorbing the staffing cost associated with scheduling community use of elementary and middle school buildings.	Reduce impact to the General Fund.	\$120,000
Student Support Aid	Changes in legislation allow for the carryover of FY24 funds which allows the shift of 10 FTE of formerly ESSER-funded social workers or counselors. FY26 allocation increases \$1M more allowing the shift of 10 additional FTE.	The Minnesota Department of Education has provided direction that allows the district to use Student Support Aid to fund positions currently in the General Fund, including counselors and social workers.	\$2,000,000
Total realignments			2,920,000

Anoka-Hennepin Schools

Phase 1 Budget reduction, realignment, and adjustments

April 4, 2024

Anoka-Hennepin schools announced a two-phase reduction and realignment plan in February 2024 with a preliminary goal of reducing \$30 million from district expenditures in the 2025-26 budget. The strategy regarding the two-phase budget reduction process is to take immediate action to reduce central office staff in Phase 1 to minimize the impact of school and districtwide Phase 2 reductions. Phase 1 personnel actions were enacted by March 1, 2024 and are incorporated into the 2024-25 budget approved by the board in June.

Phase 1: Total reduction, realignment and adjustments

Area	Budget impact
Reductions	\$3,115,000.00
Realignment	\$930,000.00
Adjustments	\$1,111,000.00
Total	\$5,156,000.00

Personnel reductions

Department	Position Type	Positions Reduced	Restructure / Positions Added	Estimated Reduction
Business Services/Finance/Warehouse	Administrator	2		\$200,000.00
	Custodian	1		\$47,000.00
Communication and Public Relations	Administrator	1		\$127,000.00
General Counsel	Administrator	1		\$130,000.00
Human Resources	Confidential	2		\$150,000.00
Superintendent	Secretary	1		\$60,000.00
Technology and Information Services	Administrator	1		\$84,000.00
	Secretary	1		\$60,000.00
Research, Evaluation and Testing	Administrator	1		\$120,000.00
Community Education - Parent Involvement	Administrator	1		\$60,000.00
Elementary Curriculum	Secretary	.5		\$30,000.00
	Teacher	2		\$220,000.00
State and Federal Programs	Teacher	1		\$110,000.00
Secondary Curriculum	Secretary	0.5		\$30,000.00
	Teacher	2		\$220,000.00
Student Conduct	Teacher	2		\$220,000.00
Special Education	Teacher	4		\$440,000.00
	Para	1		\$30,000.00
Student Services	Administrator	3	2	\$200,000.00
	Teacher	0.5		\$55,000.00
	Para	3		\$90,000.00
Transportation	Crossing Guards	5		\$150,000.00
Buildings and Grounds	Custodians	6		\$282,000.00
Total Staff Reductions		42.5	2	\$3,115,000.00

Personnel realignment to other budgets

The positions remain in place, they are coded to accounts other than the General Fund Unassigned, or to reimbursable codes to generate additional special education revenue.

Department	Position Type	Number of Positions	Budget Adjustment
Technology and Information Services	Teacher	4.2	\$500,000.00
Media Services	Teacher	1	\$110,000.00
Buildings and Grounds	Administrator	1	\$150,000.00
Transportation	Administrator	1.2	\$113,000.00
Community Education	Administrator	0.43	\$57,000.00
Total Realignments		7.83	\$930,000.00

Budget adjustments (non-personnel related)

Department	Description	Budget Adjustment
Technology and Information Services	Move district-level media subscriptions and supplies to Library Aid funding	\$561,000.00
Transportation	Reduce routes	\$550,000.00
Total		\$1,111,000.00