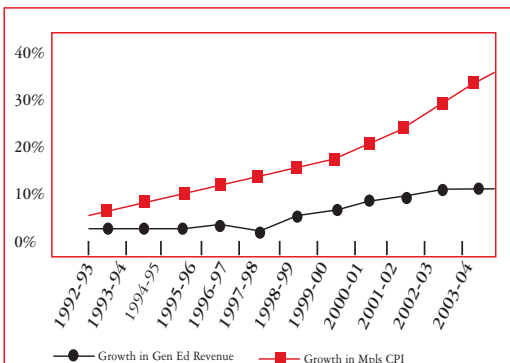


Frequently asked questions

Has the District been receiving more money or less money each year?

It depends what funds you consider. The money it takes to run our schools is called operating revenue, and it is provided through General Education funds. This money is not keeping pace with inflation-ary increases in expenses. Over a span of 12 school years, the District will have received a total net increase of 16% in General Education revenue. During that same time, Minneapolis-area inflation increased by 35%.

Growth of General Education revenue vs. inflation 1992 to present:



This chart compares the net increase in General Education Revenue (after adjustments) with the Minneapolis Consumer Price Index (CPI), per the US Department of Labor-Bureau of Labor Statistics Data.

Non-operating revenue pays for facilities improvements and equipment only, and it has shown considerable growth. The main reason is because the community passed an \$80 million bond referendum for construction in 1999. However, those and other non-operating funds cannot be used to run schools. The money can only be used to improve facilities. This is why reports that show considerable growth in revenue and spending are misleading. Those reports include funds that cannot be spent on our District's educational program.

How much money is enough?

Each year, the District's Legislative Action Committee creates legislative priorities. If supported by the Legislature, together the following proposals can provide sufficient revenue to meet the District's needs.

- Maintain, at a minimum, current levels of education funding and simplify the funding mechanism.
- Create equitable levy authority among districts.
- Create alternative methods of settling employee contracts.
- Repeal unnecessary state mandates and allow school districts more flexibility to meet the mandated goals.
- Provide funding that is equal to the state-mandated expenses.

How much is spent on unfunded mandates?

In the area of special education alone, last year Mounds View Public Schools spent \$4.3 million in order to meet the unfunded mandates. By comparison, the District had to reduce \$3.2 million to balance the operating budget.

2001-2002 unfunded mandated special education expenses \$4.3 million	2001-2002 deficit in operating funds \$3.2 million
--	--

If enrollment is declining, shouldn't expenses decline too?

The District is reducing personnel expenses in response to declining enrollment. Regardless of declining enrollment, the District continues to have fixed costs that don't decline proportionately with enrollment. For

example, overhead costs like building administration, utilities, custodial service, insurance, transportation and risk management are constant until such time as a decline would require closing a building. At a classroom level, classes that decline by two or three students still require a licensed staff member.

Why is construction continuing when enrollment is declining?

Construction activities are not creating wasted space or additional empty classrooms. The vast majority of money is being spent on improving indoor air quality, enhancing safety and addressing deferred maintenance issues. Currently, the average age of our buildings is 30 years old, so all of the renovation activities are providing necessary updates to our aging facilities. In the event of school closings, the buildings will be repurposed and will benefit from the enhancements taking place.

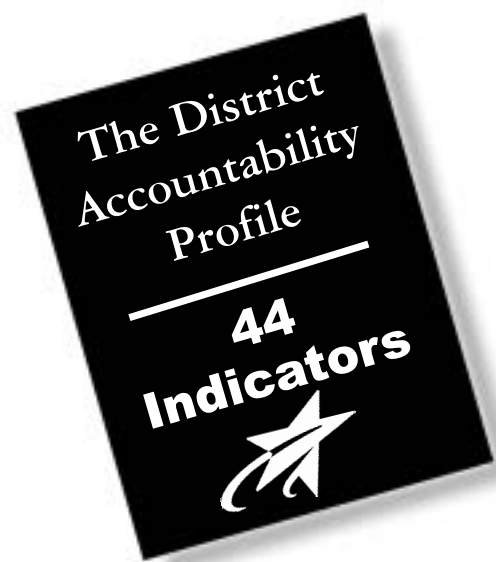
Is the superintendent's contract among those being called "outrageous" lately?

No. In comparing metro-area contracts, the *Star Tribune* called Mounds View's "near the bottom of the benefits ladder" with "modest accrued vacation pay if [the superintendent] left for another job." The superintendent's contract has no severance package and no pay out for unused sick days.

For more frequently asked questions and answers, visit:

www.moundsviewschools.org

Measuring performance



Accountability Report

Using 44 indicators to measure performance, the District Accountability Profile examines many aspects of Mounds View Public Schools, from graduation rates to safety in schools. To learn more, call 651-639-6014, or download the report at www.moundsviewschools.org.



Looking for insights on accountability efforts in Mounds View Public Schools? Register to receive the Superintendent's electronic newsletter, *About Our District*. In these regular e-news updates, Superintendent Jan Witthuhn offers updates and provides perspective on District issues. She also answers some of the most frequently asked questions on topics ranging from school performance to budget decisions.

To Subscribe:

1. Go to: www.moundsviewschools.org and click on the "Subscribe to E-news Updates" button.
2. Select the "About Our District" newsletter and any other e-news services of interest.
3. Enter your e-mail address and hit "Subscribe."

www.moundsviewschools.org

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Effective and Efficient

an accountability report from Mounds View Public Schools



Dear Residents:

At Mounds View Public Schools, we realize high student achievement and fiscal integrity are among the highest priorities in our community. That's why we have produced this accountability report revealing several

of the ways our schools are both effective and efficient. I encourage you to take some time and review our results.

Sincerely,

Jan Witthuhn
Superintendent



Spending Money Wisely



More dollars go toward student instruction to support achievement than any other area.

This year, 71 cents of every dollar is spent on services that directly support student instruction.

Effective and Efficient

Top among suburbs in National Merit recognition

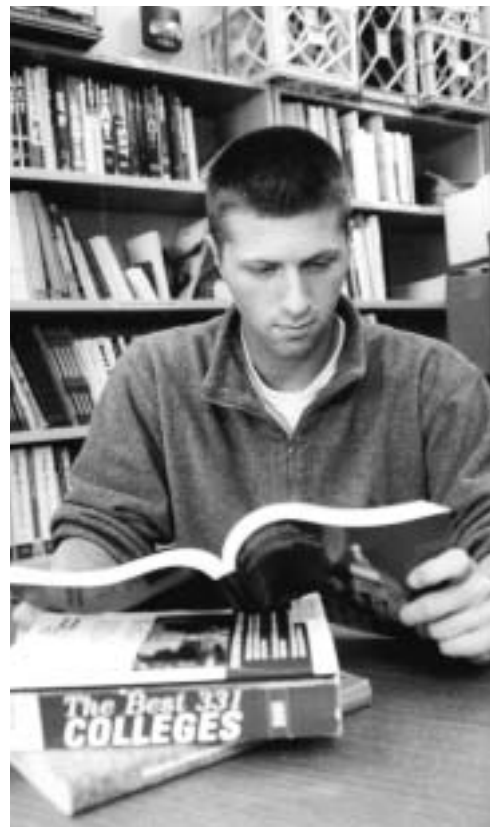
This year, Mounds View Public Schools had more students who were named National Merit Scholarship semifinalists than any other suburban district in the state.

The top five districts include:

1. St. Paul (20)
2. Mounds View (16)
3. Minneapolis (15)
3. Rosemount/Eagan/Apple Valley (15)
4. Eden Prairie (13)
4. Hopkins (13)
5. Edina (9)

High school scores surpass state

	Class of 2002		
	National	Minnesota	Mounds View
ACT	20.8	22.1	23.6
SAT	1020	1172	1204

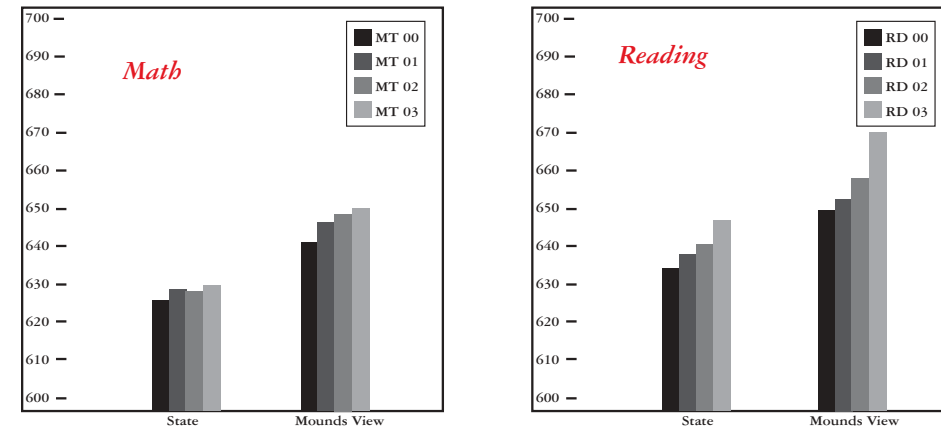


Perfect SATs

This year, three Mounds View High School students scored a perfect 1600 on the SAT exam. They were among only 616 students out of the 1.3 million students nationwide to achieve 100 percent.

Basic Skills Test performance rising

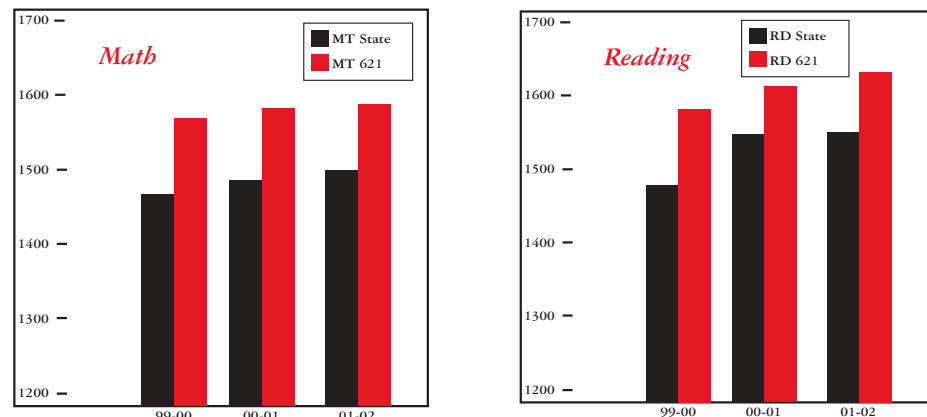
Eighth-grade scores on the Basic Skills Tests:



Over the past several years, eighth-grade student scores on the Basic Skills Tests in reading and math have exceeded state averages and have risen consistently. This year, 83 percent of our students passed the math exam, compared to the 72 percent state average. On the reading exam, 91 percent passed, compared to the 81 percent state average.

Elementary students' MCA scores are among the best in the state.

Fifth-grade scores on the MCA tests:



On Minnesota Comprehensive Assessments, third-graders and fifth-graders are demonstrating evidence of solid academic performance.



survey says: In a November 2002 survey of District residents . . .

- 84% rate the quality of education as *excellent or good*.
- 79% trust the District to do what is right for the children.
- 79% said they are *proud of Mounds View Public Schools* and would recommend the schools to friends.
- 68% agreed that the high quality of Mounds View Public Schools *increases property values for homeowners* in this district.



Property taxes that support the District are declining.

Mounds View Public Schools Property Tax Revenues:



Source = Ramsey County. This year, residents will see a 4.6 percent decrease from 2002 property taxes paid towards Mounds View Public Schools.

Administration spending is declining.

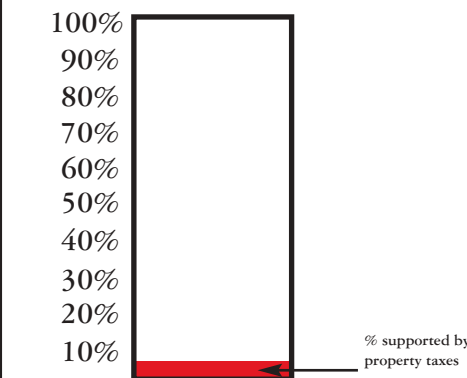
District and school administration expenses: as percent of General Fund spending

Year	2000-01	2001-02	2002-03
Administration	5.9%*	5.7%*	4.7% Projected

*Source = Minnesota Department of Children, Families and Learning For 2002-03, we're on track to spend only 4.7 percent of our General Fund budget on District and School Administration. This year, \$1 million of reductions were made from District administration in order to direct as many funds as possible to classroom instruction.

On average, taxes paid by District residents support only 6.1 percent of the cost of educating a student.

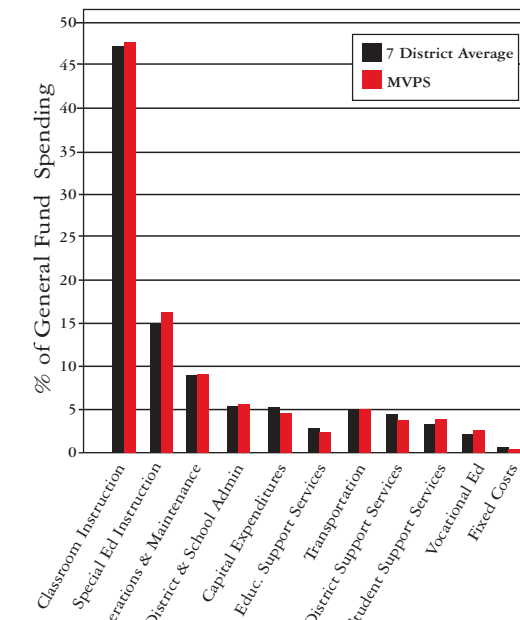
Cost of educating a student:



Source = Ramsey County and Springsted, Inc. (Financial Consultants). School property taxes based on 2002 median taxable value. The range of support can vary from 4.2% to 15.6%. Cost per student includes only instructional expenses and excludes construction activities.

Overall, our spending is comparable with other similar-sized districts.

Five-year spending averages:



Source = Minnesota Department of Children, Families and Learning. The percentages were averaged from 1996-97 through 2000-2001. Districts include seven metro districts closest in size: Wayzata, Eden Prairie, Bloomington, Burnsville, North St. Paul, Robbinsdale and South Washington County.

Cutting costs to preserve core programs.

The District is taking several significant steps to contain costs and preserve core instructional programs:

- Reduced central administration.
- Reduced premiums by changing medical/dental health insurance carriers and plan design.
- Automated several significant HR functions.
- Closed the District print shop.
- Placed a temporary freeze on District-wide spending and replacement hiring.
- Reduced professional development spending and membership fees.
- Froze school supply budgets.
- Eliminated one of the Superintendent's cabinet-level positions.
- Reduced bus services to meet minimal state-mandated level of transportation service.
- Increased co-curricular fees to cover a greater percentage of program expenses.
- Relocating programs that are currently occupying leased spaces into available spaces in schools.

Moderate Spending

Per-pupil spending

\$7,721 \$7,585



2001-2002 Metro Averages

1. MINNEAPOLIS
2. ST. PAUL
3. BROOKLYN CENTER
4. ST. LOUIS PARK
5. HOPKINS
6. ST. ANTHONY-NEW BRIGHTON
7. WESTONKA
8. RICHFIELD
9. ROSEVILLE
10. EDINA
11. BLOOMINGTON
12. ROBBINSDALE
13. OSSEO
14. COLUMBIA HEIGHTS
15. MINNETONKA
16. BURNSVILLE
17. WEST ST. PAUL-MENDOTA HTS.-EAGAN
18. FRIDLEY
19. SOUTH ST. PAUL
20. ORONO
- 21. MOUNDS VIEW**
22. SPRING LAKE PARK
23. CHASKA
24. WAYZATA
25. STILLWATER
26. INVER GROVE
27. SOUTH WASHINGTON CO.
28. WACONIA
29. WHITE BEAR LAKE
30. EDEN PRAIRIE
31. MAHTOMEDI
32. N. ST. PAUL-MAPLEWOOD
33. HASTINGS
34. PRIOR LAKE
35. SHAKOPEE
36. CENTENNIAL
37. ANOKA-HENNEPIN
38. LAKEVILLE
39. ST. FRANCIS
40. FOREST LAKE
41. ROSEMOUNT-APPLE VALLEY-EAGAN
42. FARMINGTON

Teacher salaries

\$44,482 \$43,727



2001-2002 Metro Averages

1. HOPKINS
2. INVER GROVE
3. MINNEAPOLIS
4. HASTINGS
5. STILLWATER
6. FRIDLEY
7. MINNETONKA
8. ANOKA-HENNEPIN
9. BURNSVILLE
10. SOUTH WASHINGTON COUNTY
11. OSSEO
12. ROSEVILLE
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39. BROOKLYN CENTER
40. WACONIA
41. FARMINGTON
42. COLUMBIA HEIGHTS

Source = Minnesota Department of Children, Families and Learning. 42 districts as defined by Metro ECSU (Educational Cooperative Service Unit).