

Blaine Fiscal Review Committee Minutes
November 4, 2008

Present:

Ron Spanjer, Donna D'Angelo, Campbell McClusky, Russ Carleton, Janet Mumma, Steve Barthlow, Aaron Smith, Nancy Bakarich, Charles Gibson, J.J. Jensen

1. Ron Spanjer convened the meeting thanking everyone for taking time from busy schedules to participate in the committee process. We need to begin the budget process early, knowing the legislative session will be a greater challenge this year. Our state system relies heavily on sales tax and our deficit is growing. Charles Gibson and Ron Spanjer attended a regional legislative meeting last week and learned the revenue news is not promising. The legislative session this year is a long one. Normally, we would wait for the session to end before we start working on the budget. This year we are choosing to have a representative group look at where we currently spend our money in the school district, in relationship to revenue sources. This is a new process for our district, involving an opportunity for program representatives to speak directly to the committee specific to their needs and concerns.
2. Introductions were made. Campbell McClusky – School Board, Russ Carleton – SEIU President, Janet Mumma – BEA President, Steve Barthlow – HS teacher, Aaron Smith – Vice Principal BMS, Nancy Bakarich – Principal BPS, Charles Gibson – School Board, J.J. Jensen – Elementary teacher, Ron Spanjer – Superintendent, Donna D'Angelo – Business Manager.
3. Ron Spanjer presented an overview of the “Committee Purpose” and the role/expectation of the committee members and asked that we think about questions we may have for the 10-12 program representatives coming in during the next 4 meetings to engage in dialog specific to needs and concerns in their area.
 - a. It was reinforced that our purpose is to gain a more comprehensive level of understanding of current revenue and expenditure levels by program. How might the applicable program use additional resources to address current and future needs, and on the flip side, what would be the impact of a loss of substantial resources to the program?

How do we support objective communication to our constituent groups and the public?

This committee is charged with collecting information that will in summary serve as a resource to the budget development process. It is not the intent that we will be making decisions or recommendations.

Comments from committee members:

- i. Campbell McClusky - without the bond issue, the belt tightening will likely be needed again even before the stock market collapse.
- ii. Ron Spanjer- The retirement system is only one area we are seeing 2-3% increases projected for next year. The increase in contribution comes from both the employee and employer and subsequently impacts expenditure latitude in other areas of the program. This is one of many areas that are outside the District's influence of control.

4. Communication – Some of the questions regarding communication were:

- a. What type of opportunities do you see for communication to our representatives? What level of interest do people have in this stuff? Interest in the final bottom line. How much is too much?

b. Comments

- i. Russ Carleton – How much information is important – people are affected directly. How much is necessary before we scare people or panic them?
- ii. Janet Mumma - Last spring we touched on things but it wasn't enough. When we got to the final board meeting, there wasn't enough information. First communicating is that we have this committee and we are educating ourselves in the process and asking what their concerns are. Some type of overview, purpose of same at a staff meeting. Janet and Russ could talk to staff meetings. Appropriate input from constituents. Don't advocate for any positions. Valuable to do this and have a small handout with info. For staff to reference.
- iii. Ron Spanjer – Intended to be an objective and open dialog process, with less risk of people “protecting territory” at this juncture.
- iv. Steve Barthlow– Has not even a generic knowledge of how the school budget works. The idea of getting information out now is a positive.
- v. Aaron Smith– Not too much detail now until the legislature is finished. A cursory overview now is enough.

- vi. Nancy Bakarich– Real valuable now. Informational meetings last year helped her building feel less threatened and answer questions. Fear of the unknown needs to be acknowledged and addressed.
 - vii. Russ Carleton - More correct information from people who know. Not gossip. Real information from those that do the job and not rumors is key.
 - viii. J.J. Jensen – Informational meetings were great. Liked the fact they were told about information before they read it in the paper.
 - ix. Charles Gibson- Will it be helpful to have a go to person for their group?
 - x. Russ Carleton – Yes it worked. If it didn't come from me or written, it is not tangible.
 - xi. Steve Barthlow– Let the people know. The numbers can be skewed. The basic understanding of money in and money out. Why is it being spent in what area?
 - xii. Campbell McClusky - Frequently asked questions but no frequently asked answers.
 - xiii. Ron Spanjer – Information will be put on the website, using format similar to “levy info”. Where we spend our funds and which of these expenditures are restricted. What are some of your questions? Raising the level of awareness before emotion kicks in.
 - xiv. Charles Gibson – Changes are coming. Transparency is needed. Keeps the system stronger.
 - xv. Charles Gibson – The students are constituents as well.
 - xvi. Ron Spanjer – Credible info. Sharing is key to this process – following each meeting. We are not a group of secret people working in the back room. The goal of the process is consensus based. It is not a vote. What would be the impacts? It is not majority based. We are not making decisions. Be as objective as possible in the dialog.
5. Ron Spanjer formally reviewed our purpose and expectations. We may have some substitutes as needed. Nancy Bakarich and Kathy Newport are splitting the responsibility.

Preliminary agenda for 11/18 and beyond:

- a. Revenue - Levy where does it come from and what trends do we see. What impacts what we can collect? We will talk about how we use the levy money. I – 728 is making us nervous, as it could be suspended after this year. How do we spend it? It is \$1,000,000 for Blaine. Jim Nelson will be here to speak about Career and Technical Ed.
 - b. Class loads for basic ed, vs. case loads for sped teachers. What would be the implication of both a reduction in revenue and an increase in revenue?
 - c. Janet Mumma – Jan 27....technology will part of that discussion.
 - d. Ron Spanjer – Timber Ridge expenses for this year are around \$330,000. If we don't send them there in the future, what services are available here and what will be the cost of those services?
6. Donna D'Angelo reviewed the budget development and 08-09 budget pages.

Ron Spanjer reviewed the details of the 08-09 budget reductions.

The committee reviewed the charts containing 6 year expenditure history and 7 year enrollment history of the district.

We will bring the fund balance charts (7 year profile) to the next meeting.

The Full Funding Coalition Task Force pages were briefly reviewed. Over the past 15 years the expenditures per student based on national average has declined dramatically. Legislators last week said they are not proud of the decline but there is no immediate fix for it.

- a. J.J. Jensen – how many districts are included in the special ed lawsuit? Ron thinks about 10-12 aggressively pursued it and paid legal fees. About another 60-70 tagged along as supporting it without any legal fees including Blaine.
7. Charles Gibson – What will happen if the lawsuit is won? The last page of the handout will show 1.2 billion will fix it. Even winning will not mean resolution immediately. Funding plan will satisfy the lawsuits. The legislature will say they will try to make it happen but we are short revenue already so we can't fix it immediately.
8. Questions, Comments. Janet Mumma – Do we need to do anything for the next meeting? Ron Spanjer - We need to bring a commitment to support a collaborative process. Keep objective as possible and get as much information on the table as possible.
9. Adjourned at 4:50pm.