



BOARD OF TRUSTEES MEETING

The mission of this Board of Trustees is to champion the cause of students in public education by establishing the framework through which all educational resources are maximized.

Special Board Meeting and Work Session

Meeting Minutes

SCHOOL BOARD WORK SESSION

Library Media Center

205 Northwest Lane, Kalispell MT 59901

Tuesday, February 27, 2018 06:00 PM

(1) CALL TO ORDER

Members Present: Chair Isaak, Vice Chair Fallon, Frank Miller, Mark Kornick, Diane Morton Stout, Bette Albright (6:35), Joe Brenneman (6:09), Anna Marie Bailey

Members Absent: Jon Endresen, Mary Ruby, Mary Tepas

Officials Present: Superintendent Mark Flatau, Assistant Superintendent Andrea Johnson, Finance Director Gwyn Andersen, HR Director Tracy Scott, Elementary Principals Merisa Murray, Tracy Ketchum, Brent Benkelman, Bill Sullivan, and Glenda Armstrong, High School Principals Michele Paine and Callie Langohr, FHS Assistant Principal and Athletic Director Bryce Wilson

Others Present: Tom Heineke from Morrison and Maierle, so and so from Swank Enterprises, Owners Representative Erick Enz, Potential Board Member Mike Merchant, Hilary Mathison from the DIL

(2) PLEDGE OF ALLEGIANCE

Chair Isaak called the meeting to order at 6:00 pm with the Pledge of Allegiance.

(3) PUBLIC COMMENT

Chair Isaak asked if any member of the audience wished to comment on a matter not on the agenda, further stating that the Board could not take action on any matter brought up in public comment because the public had not previously been notified of the matter. No Public Comment was offered.

(4) NEW BUSINESS

Chair Isaak introduced the next item on the agenda, New Business.

(4.a) ADMINISTRATIVE BUDGET REVIEW AND RECOMMENDED REDUCTIONS (Possible Action)

Superintendent Flatau explained that this information was presented at the Finance Committee on Friday, stating that "As many of you know, the process that our Principals took, took many hours, it was educational for all of us, it was collaborative and friendly". Flatau then went over the Administrative Budget Review and Recommended Reductions as presented.

■ Background:

Up until last year we have had the benefit of having budget \$\$\$ remaining at the end of the year.

Impacts to this years budget > 2,000,000

1. Legislative Funding reduction
2. Health Care Costs
3. District's Contribution to Health Care Fund

17-18 Inter-local Funds approved as one time only funds (use of reserve/savings funds are not sustainable.)

1. Elementary \$355,000
2. High School \$1,000,000
 - Targets changed as the group went through the process
1. Revenue Shifts in part due to enrollment at HS's
2. Expenditure shifts
3. We also knew that any additional savings we could make this year would translate into additional \$\$ for next year
 - Process Callie Langohr presented:

Team Members: 27

6 Central Office Administrators (Mark, Andrea, Gwyn, Tracy, Sara, Rich)

2 Support (Rick, Jason)

9 Elem admin (Tryg, Jeff, Dallas, Merisa, Jen, Glenda, Brent, Tracy, Bill)

10 HS Admin (Michele, Mike, Bryce, Mark, Jodie, Callie, Lance, Micah, Mark)

The 27 members have over 300 years of education experience. The team spent over 44 hours reviewing the district budget. The team reviewed 6,040 line items in 23 different budget categories.

Review Team Meeting Procedure:

Administrators were assigned responsibilities. Gwyn provided the district budget on the large screen.

Team members used a shared Google sheet with the reduction recommendations. The facilitator kept the discussion moving. Questions and comments that needed addressed were recorded on the 'future discussion' chart. The team members went line by line through every tab in the district budget. Administrators responsible for their tab had to justify every line and recommend cuts if possible. A final check for accuracy and prioritization was done at the last meeting.

Review Team process protocols:

1. Above all, do no harm
2. Keep an open mind and a good attitude. No sacred cows.
3. All cards on the table. No playing poker.
4. Support each other. No selfishness.
5. Keep the larger picture in mind. Don't take things personally.
6. Conversations stay at the table. No behind the scenes drama.
7. Remember the objective. Debate to a point and then stop. Don't dominate.

Communication Plan schedule:

We didn't know if positions were going to have to be cut and we did not want a staff member to open a board packet and find out their position might be cut. That would have violated Protocol #1. As a result of that, we came up with a communication plan to assure we took things in the right order, met with the right people, those impacted by the initial cuts and made sure everyone was on the same page.

Callie shared a Future Discussion Topics Chart that was created as the conversation went on. Each discussion was assigned a date which will be updated going forward. None of the things on the list have any thing to do with reductions in your packet, but are discussions that need to occur at the Administrative level.

- Recommendations:

Bill Sullivan went over the Elementary Budget Reduction Recommendations as presented.

2017-2018 Elementary General Fund pie chart as presented. Reductions Categorized by tabs and shows the percentages that came out of those tabs.

Admin

Business Office

District-Wide

Maintenance

Tech

KMS and 6 Elem Schools

Sullivan first went over next year, best case scenario (if a levy passes), as presented and then worst case scenario, which includes people being impacted, as presented.

Michele Paine presented the High School Budget Reduction Recommendations as presented.

Biggest chunk is staffing in buildings

smallest reduction at Tech because there is not a lot we can reduce there.

looked at textbook adoption and decided they are just going to have to be postponed, even though there is great need. But we chose curriculum cuts over people.

Decisions had to be made on the activity side and we trimmed where we could...Not ideal, but as we work through the process and we went to those effected and people are understanding of the need. Believe in what we are doing.

Trustee Brenneman asked if, in choosing curriculum over personnel..did administration decided that curriculum could be pushed back to save our people, based on sentimentality or is there research that curriculum needs can be stalled for years?

Superintendent Flatau responded that we were looking at next year only, we know curriculum and textbooks can not be put off indefinitely, but we chose to push it back another year at this time.

The Principals added that in fact research does show that the biggest impact on student achievement is staffing, not textbooks. Both are needed, but new textbooks can be postponed.

Assistant Superintendent Johnson stated that the "textbook adoption hasn't lost it's spot in the cycle, it has just been postponed, not cut."

Paine ended by saying that the key difference between the Elementary and High School reductions is that High School didn't have to get to a best case, worst case scenario.

- Next Steps:

Flatau stated that next will be a Deeper Dive into the recommended reductions at this meeting and then outlined the upcoming steps:

March 6th School Board Meeting

March 16th High School master schedule staffing done

March 20 School Board Work Session

April 6 Mill levy numbers certified

May 8 District levy run

June 6 High School student schedules done

Into Deep Dive:

Line by Line reductions, as presented.

Finance Director Gwyn Andersen went over the recommended reductions line by line and explained how the process worked, stating that the team looked at the 17-18 line item budget and combed through it to make sure all data was accurate. Andersen addressed questions about Health Insurance, Field Trips, Summer School, POTS lines (Plain Old Telephone Lines) and Stipends.

Vice Chair Fallon made a motion to approve the budget review and recommended reductions for 17-18 and 18-19 school years on the High School side.

Trustee Miller seconded the motion.

Trustee Brenneman stated that he appreciates all the work that the Administrators put into this process.

Trustee Bailey added that according to what she has heard, Callie Langhor led the process in an extraordinary manner.

Vice Chair Fallon added that " its never been done in the history of the school district, to have reductions come from the bottom up like this instead of top down. fantastic."

Motion carries unanimously.

Trustee Albright made a motion to approve the budget review and recommended reductions for 17-18 and 18-19 school years on the Elementary side.

Trustee Bailey seconded the motion.

Motion carries unanimously with Elementary Trustees only.

(4.b) DISTRICT BUDGET FORECAST

(Information)

Finance Director Gwyn Andersen summarized the District budget forecast stating that the District will need close to a

Million Dollar levy on the elementary side. The max the district can levy is 1.4 Million.

Andersen added that on the High School side the District is close to what it needs, " with enrollment increases we can probably get another year down the road without a high school levy, but would have to tap into Inter Local funds. "\$1,783,927 is the max that can be levied, but would be looking at a pretty substantial levy the next year." Andersen went over the Inter Local fund deposits and withdrawals over the years and explained that the fund was set up before the Bond was passed. Andersen concluded by saying that the District 'savings' isn't going to be drained, it is looking better."

(4.c) LEVY DELIBERATION

(Possible Action)

Flatau opened up the Levy Deliberation discussion by reminding the Board that the last successful Elementary Levy was passed in 2012 and the last High School levy was passed in 2007, and then went over the levy calculator, as presented. "We believe we can get one year down the road without significant impact to our Inter local fund, but an Elementary levy needs to be run."

Discussion followed.

Trustee Bailey asked what the calculations would be "if we went to 95%?"

Trustee Miller stated that he would entertain the thought of going to a million. "Keeping property taxes under 10% as far as an increase in taxes."

Chair Isaak stated that one of his concerns is that the social workers were not included. "I would hate to say we would have to cut them down the road."

Trustee Miller stated that "we haven't" gotten to the discussion of what we value the most. I would like to get back to asking for a levy every year and people get used to it. A lot of Districts do that and you just know that every year you go to the polls to vote for the schools."

Superintendent Flatau stated that one thought was that once you got significant High School and Elementary levies passed "then you are in a position to look at that philosophy moving forward in the years ahead."

Trustee Bailey made a motion to run a million dollar levy on the Elementary side.

Trustee Miller seconded the motion.

Chair Isaak stated that he could not support the motion, 'not because I don't support the need for a levy, but because I don't feel it is enough'.

Motion carries with 4-1 with Elementary Trustees only, and Chair Isaak voting no.

Vice Chair Fallon made a motion to cancel the running of a High School levy.

Trustee Brenneman seconded the motion.

Trustee Miller clarified that " we are saying we are going to use money, \$280,000 to make up that shortfall. How much are we going to be able to add into the Inter Local agreement at the end of this year from the cuts this year?"

Gwyn Andersen listed several areas including Adult Education, Transportation, etc. "We can get 2-3 mills of money from other things."

Trustee Bailey stated that she is concerned about the tech in the High Schools.

Chair Isaak reminded her that we had tech money from the Bond.

Flatau stated that "when we get to the High School levy we say \$400,000 or what not is being dedicated to tech."

Motion to cancel the High School levy in 2018 carries unanimously.

(4.d) CONTRACT APPROVALS

(Action)

Owners Representative Erick Enz introduced Tom Heineke from Morrison and Maierle to talk about the contract recommendation for the remodel and addition to Flathead High School.

(4.d.1) CONTRACTS - HIGH SCHOOL

Tom Heineke went through the bid results and recommendation for Flathead High School Demolition and Addition project, as presented. The recommendation to the Board is to approve the awarding of the contract to Swank Enterprises. A Swank Enterprise project manager, Grant Kerley, stated that his firm is very happy with

the bid results and are very excited to get started.

Trustee Brenneman made a motion to approve the recommendation to award the Flathead High School Demolition and Addition project to Swank Enterprises.

Trustee Albright seconded the motion.

Motion carries unanimously

(5) CONSENT AGENDA

(Action)

Chair Isaak stated that Vice Chair Fallon had asked for the Personnel item on the Consent Agenda to be moved from the Consent Agenda so the Board could have discussion.

(5.a) PERSONNEL ACTION ITEMS

(Consent Agenda)

Vice chair Fallon had the opportunity to ask FHS Activities Director Bryce Wilson and HR Director Tracy Scott questions in trying to understand no funding for a soccer coach but funding 2 half track coaches. Fallon stated that he found out that is a one time thing and not on going and that his concerns aren't as great as they were, Trustee Miller stated that he has a question as to how you can have a half time coach.

Bryce Wilson explained that one coach can't get there until halfway through practice. and the other one will be there only 3 days per week as opposed to 5 days per week. Wilson added that he would prefer to have one coach full time but that isn't a possibility at this time.

Vice chair Fallon made a motion to approve the personnel hires, as presented.

Trustee Bailey seconded the motion.

Motion carries unanimously.

(6) ADJOURNMENT

Chair Isaak called for a motion regarding the adjournment of the meeting.

Trustee Bailey made a motion to adjourn the meeting.

Trustee Miller seconded the motion.

Motion carries unanimously

Meeting adjourned at 8:06 PM

Chair of the Board

Date

Clerk of the Board

Date

Secretary of the Board

Date

(7) ACCOMMODATIONS

(Information)