

**BUDGET ADVISORY COMMITTEE MEETING  
JANUARY 14, 2009**

**MINUTES**

**Present:** Casey O'Dell & Mary Tipton, School Board; Diana Rennie, CEA; Carol Kohler, CAEOP; Jennifer Gurule, PSE; Helen Charneski, District Office representative; Terry Cavender, Athletics; Roland Minder, Coaches; John Spencer, CAC (Citizens Advisory Committee); Cathy Sork, Elementary Principals; Marilyn Boerke, Middle School Principals; Amy Holmes & Steve Marshall, Secondary Principals; Mike Nerland, Tanis Knight, Rita Pakenen, Ina Evers-Martin, Administrative Cabinet Representatives; Ralph Pruitt, Special Services; Bryan McGeachy, Operations/Transportation; Brian McClatchie, Community Representative; Doreen McKercher, Public Relations; Anne Guard, Recording Secretary.

Tanis Knight opened the meeting at 4:00 p.m.

- Guidelines for the committee were established, focusing was on what the committee will be expected to do, what the committee would not do, what the Board would like input on, etc. Mike Nerland, Tanis Knight, Ina Evers-Martin and Rita Pakenen reviewed the information in a budget PowerPoint presentation, which was sent to all members and will be posted to the district web site. For that reason, it will not be repeated here.
- Mike discussed the funding process from the state, reviewing what is and is not funded under basic education. He also reviewed the 2008-2009 general fund budget, indicating the Board was hoping to end up with a fund balance of 4.0%. At one point in the last decade, the district fund balance was at around 8.53%. Over time, this percentage has declined, and we ended 2007-2008 at a 3.22% fund balance.

Ina explained that we need to have a good fund balance because: (1) it helps to cover unexpected and unforeseen expenditures and, (2) if our fund balance drops too low, the state will exert control of the district's budget. Several districts in the State of Washington are already in this position.

Bryan McGeachy pointed out that several capital repairs had to be made to equipment and buildings this year. These expenditures were not expected nor budgeted for.

Ralph Pruitt mentioned that a single high-needs student can often require more support, busing, and other expenses—often unforeseen and not budgeted for by the district. These realities can result in large dollar figures. State Safety Net grants exist for expenses like these, but the application process is complicated, and we are not guaranteed to receive any funds.

Mike reminded everyone that the construction bond funds are only for the construction of schools and cannot be used for everyday operating expenses or for non-construction-related staffing.

- Mike briefly reviewed the Governor's proposed budget. This is not necessarily the budget that will be adopted. Both the House and the Senate will propose budgets of their own. From those three, a consensus will have to be reached on a final budget. That won't be known until sometime in late spring.

- Tanis handed out a budget development calendar for each member present. The next meeting of the entire group is scheduled for February 11, 2009.
- Sub-committees were assigned as follows. Each committee has a “lead.” Their responsibilities include: creating a meeting agenda, setting committee meeting dates for their group, publishing recommendations, keeping the group on task and on time.

Transportation & Operations (includes food service): Bryan McGeachy and Dick Essex, leads; Helen Charneski, Brian McClatchie, Mary Tipton.

Athletics/Activities: Terry Cavender & Steve Marshall, leads; Roland Minder

Certificated Staffing: Mike Nerland, lead; Diana Rennie, Marilyn Boerke, Amy Holmes

Classified Staffing: Rita Pakenen, lead; Cathy Sork, Jennifer Gurule, Carol Kohler, John Spencer

Special Programs/Instruction: Ralph Pruitt, lead; Tanis Knight, Casey O’Dell

Steve Nahas will need to be assigned a committee.

Tanis handed out a “worksheet” for each committee to use as they draft their recommendations.

Ina handed out budget information for each sub-committee to use. She will attend each committee meeting to review and explain the reports and answer any questions the members might have.

- Doreen mentioned that she is working on a Superintendent’s blog for the web page. She is hoping it will be up and running in February. A parent at Fox will be helping with this. The blog can be used to address cost saving ideas, questions about the budget process as well as other topics. She also mentioned a Key Communicator meeting is being planned for sometime in April.
- Tanis reminded everyone that the next meeting is scheduled for Wednesday, February 11, 2009, at 4:00 p.m. Each sub-committee should have met together and with Ina by then. The first hour of the meeting will be dedicated for work by each sub-committee.
- Tanis asked everyone to submit a question or goal they would like to work on during these committee meetings. Those submissions follow.

## **QUESTIONS**

1. What criteria are used to prioritize or “stack rank” budget allocations and/or cuts?
2. What process will be followed when prioritizing?
3. What would the savings be if all staff salaries and benefits were frozen at current levels?
4. What questions/ideas surfaced last year from staff that may not have been addressed?
5. What can staff provide assistance that will make the committee’s work easier?
6. How can we ensure equity/fairness in reductions? What data will be used?
7. What filter do we use to ensure cuts meet our district’s goals?

8. What/how do we address public concerns?
9. Will student performance be reviewed when cuts are proposed or for setting priorities?
10. What areas are "off limits"? (i.e. the fund balance)
11. Will we as a school district look at restoring cuts when finances allow for it?
12. What is the anticipated decline in enrollment and tax levy base?
13. Have we done a preliminary budget as a starting point?
14. Is everyone in agreement that we can work through this together?
15. Will entities/buildings be given budgeting goals? (Buildings decide on cuts or allocations rather than using only district or centralized decisions)

### **GOALS:**

1. A balanced budget with a 4% ending fund balance.
2. Positive needs approach: Start with a blank slate that talks about what we need most based on agreed-upon criteria. Avoid any tone that indicates an area or program is not needed.
3. Reduce utility usage by 15% during the 2009-2010 school year.
4. Maintain the quality of service to our students while implementing costs cuts/savings that will have the least impact on our students.
5. Make budget decisions so students don't "feel" any reductions.
6. Work so that any reductions have the least impact possible for students, staff, and programs.
7. Reduce transportation costs (examine changes in the 1-mile walk zone).
8. Create a set of educational values/agreements upon which to prioritize essential and additional program offerings.
9. Assure equity among program categories as much as possible.

Mike Nerland thanked everyone for coming and for all the valuable input and the participation.

The meeting adjourned at 5:25 p.m.

Again, next meeting is February 11, 2009, at 4:00 p.m.