

Budget Development
10/22/2019
1:00pm-2:30pm
Administration Office – Room 137

Attendees:

<input checked="" type="checkbox"/> Aaron Harder	<input checked="" type="checkbox"/> Lori Bica	<input checked="" type="checkbox"/> Joe Luginbill		
<input checked="" type="checkbox"/> Dr. Hardebeck	<input checked="" type="checkbox"/> Abby Johnson	<input checked="" type="checkbox"/> Kay Marks	<input checked="" type="checkbox"/> Jim Schmitt	<input checked="" type="checkbox"/> Kim Koller

TOPIC	DISCUSSION
1. Public Comment	<ul style="list-style-type: none"> • No public comment today
2. Revisit Alliance for Board Recommendation	<ul style="list-style-type: none"> • Asked ECASD to commit to \$22,600, not currently in the budget and Board asked Budget Development Committee to make a recommendation • Reviewed of how this topic came to this meeting • Does make sense to look into what could be supported internally via FTE? • The District is still interested in having this person for the district but is this the best way. Would cost less for us to fund .1 internally • People are important to their cause and a person in that position may be more important than the ask that is on hand • Lieske Giese was at the last Board meeting, in the discussion there were questions about what the Health Department's role is and are we supporting the Health Department or the Alliance? • Because of the Grant in the past, the group didn't have to educate on what all was involved to make this group work • Would be good to hear again from Lieske Giese to answer some unanswered questions • The Health Department has been the fiscal agent the last 5 years and the District was the agent before that • The lack of clarity going forward is part of the additional questions • We are still unclear on where the position is housed • Not sure that we want to keep waiting for more information, would like to just make a decision and move forward, doesn't seem to be a viable option for District to fund this • Would like to see the District to maintain the .1 • The AODA specialist at the Health Department was funded through the Grant in the past • Health Department is fiscal agent, but they do not oversee the person, it is a coalition • The financial ask has been to fund the full-time position

	<ul style="list-style-type: none"> • Health Department reserves and state funding is paying to keep the person in place now • Pushing for a county person to do that with county funding and then districts could fund an internal person • Could we ear mark some money for AODA? • .1 is LTE and .8 is FTE, the funding for the .1 through the grant has gone away, there are some uncommitted Title IV funds that could bridge the gap for this year • The grant ended October 1, 2019 so the funding would need to get moved to be able to pay .1 • Could the recommendation be to remove the \$22K and to move the \$9,700 move over from Title IV to pay this year? Hoping there is more funding come forward. Putting it in Title IV for now would be acceptable • MOTION Lori recommend that the district fund the .1 in Title IV money • Second Aaron – vote 2 yes 1 abstain
<p>3. 2019-20 Budget Update</p>	<ul style="list-style-type: none"> • Update on Budget • We currently have \$167M in revenue and State and Local source did go up this year in addition to some additional state aid • Looking at expense cost totaling \$170M including an excess of about \$500,000 in revenue • Operating expenses, last year we ended with an excess and this year going forward we have an increase in Salary and Benefits • We did use strategies last year to save on Salaries and Benefits • Hiring LTE helps to keep costs low, towards the end of August limited staff in the pool to choose from • Hiring limited term does allow us to reach out to other retirees from Eau Claire that know how the district works and puts highly qualified people in front of our kids - The pool of new teachers coming out of school has been declining • Ultimate goal is to get people to commit to permanent status, recruitment efforts do pick up in the spring, we ask people to commit to their positions and when you get to July with late resignations it is numerous rounds of interviewing to find the right fit • What are the major factors and % of change effect so we can visualize? • The aid from the state and taxes have affected our bottom line • Green initiatives, hiring substitutes, the way we order supplies, looks like we have a big budget, but we have a lot of children • We did do analysis and most of the change was in Salary and Fringe that we filled with substitutes • The way we control staffing includes monitoring hire dates and lapses in resignations • Being conscious about when those things happen does help in savings • Fund Balance is back to 20% as of the end of 2018-19 school year



- Auditors recommend a little higher, 25-33%, doesn't seem to be realistic with the funding issues for districts
- How does Fund Balance effect cash flow and borrowing?
- The balance can impact interest rates and bond rating when we go to issue debt, they like to see the consistency in history
- We saved approximately \$50K when we used the line of credit
- Bigger picture is strengthening the Fund Balance
- Working on Fund Balance policy and zoning in on the ranges, work session in November will focus on this work
- Things included in the budget at this time, Computer Equipment, Instruments and Uniforms, Alliance, iPads for instruction, foundation contribution as well
- The band uniforms and \$150,000 in musical instruments per year for multiple years, are ongoing needs for the district
- Fundraising seems like a good thing for uniforms, but then the equity reasons came up as the district funded them for Memorial
- Parents and kids in the band have a feeling like they have been overlooked and are wondering when their turn will come
- Original Band Plan – when we redid the MHS uniforms they were 29 years old about 3 years ago, we wanted to put together a plan to get NHS more, they did purchase in 2009-10, but they were not quality uniforms for \$11,000, light flimsy product that did not hold up well
- We put together a plan to transition over time, part was to purchase new and then cascade older uniforms onto younger students
- Because this has been delayed over time, we are in a place we need to do all of them
- \$120K was spent on MHS, it is larger because they have a larger band
- If the Board hadn't set the precedence in the past, could be a great thing to fundraise, but because they did that, we should do it
- The new director can choose what they need and would handle responsibly
- Can we talk about a per piece cost vs a total cost?
- Want to encourage more band participation, but want to look at the per piece cost to make sure they are getting the same thing
- Want to push on the idea... some funding is the better funding
- Don't know what the future holds for the Foundation
- When did it become good and bad money...District funding means we value, and fundraising doesn't?
- In this case we have control of when we do the spending, fundraising is set up to work like that
- If we keep looking in the past we will keep being kept back, want to look at a new model going forward
- Looking at needs in the future and saying up front fundraising is okay is different than saying we will fund and then later saying fundraising



- Saying we will do a campaign for instruments up front would be a great thing - Instruments are on the wish lists, but so far hasn't gotten any traction, perhaps if the district publicizes the need it can get some traction
- Uniforms make sense to fundraise, but equipment doesn't
- Worried about the technology needs not being funded
- In the past the band directors were put in the business of fundraising, but we wanted them to focus on the kids
- We were asking families to purchase books too and the district was treating music different than other district activities/courses
- The lack of predictability is difficult for the directors
- Board needs to get more strategic in when we ask the public for help and when do we not
- If we push off, the message will be, Board funded MHS 3 years ago and now NHS we will fundraise with donors for you
- We have worked very hard on making an equitable message
- Computer Items – Options
- In August we proposed to lease iPads and we only met the student need
- Staff iPads to lease – \$26K per year for 4 years
- Small bit of interest up front, is a lease to own also additional laptops are needed. For \$156K/year for 4 years we can get all the devices that we need
- There was a proposal to provide all 9th graders with 1:1 devices for their High School career – that bill did not pass
- In the next budget, there may be some categorical aid for technology
- If we were to get some aid, would we be able to leave the lease? And or could we use the aid to pay the bill?
- This is only for about half the devices for the buildings
- If we received aid, we would always keep working on getting more
- Do you see this computer equipment as being a top priority? Yes!
- Walk away from last night's meeting was support for NHS uniforms...
- We would want to requote the lease - If we leased Art iPads \$14K -\$15K per year lease
- **Computer Equipment 1**
- MOTION: Follow the lease plan to split out \$156K for four years
- Joe second – unanimous pass
- **Band Instruments**
- MOTION: Have a conversation with the Foundation on instruments
- Lori second – unanimous pass
- **Uniforms**
- MOTION: Fund directly as part of the surplus
- Joe second – unanimous pass
- Substance Abuse Prevention conversation complete in previous agenda item

	<ul style="list-style-type: none"> • iPads for Instruction • Do we lease or purchase? • MOTION – Roll into the purchase 60 out right • Should we say a dollar amount or a number of items? 60 iPads for no more than \$70,000 • Lori second – unanimous pass • Foundation Contribution • \$50K has been in place for at least 9 years and automatically turns over, questions from Board to ear mark until after MOU, may want to earmark now and provide stipulations going forward • MOTIONS To earmark the\$50K for contribution • Aaron second – unanimous pass • Keep the cushion for reserve for the unexpected • MOTION: Save the cushion to reserve • Joe second – unanimous pass
<p>4. 2020 Debt Drop and Referendum Timeline</p>	<ul style="list-style-type: none"> • Postpone to next meeting • Did mockup for spring 2021, if moving to November, lots of prep to do that, would want to use this at the work session on the 18th • Thing to keep in mind, very important to approve the timeline and mark the benchmarks in meetings • Recommendation for new Superintendent has very specific direction for each timeline with key checkpoints for Superintendent and Board • Did talk about levy tax drop and trying to fill it by issuing debt for capital improvements – set up timeline for work session
<p>5. BDC Workload/ Timeline</p>	<ul style="list-style-type: none"> • Postpone to next meeting
<p>6. Future Agenda Items</p>	<ul style="list-style-type: none"> • Debt and Workload • Handle on the % of the factors that affected the surplus to draw for the full Board • Joe send an email to Abby with more ideas • Like to know more about technology – are there unmet needs – academic instructional - tech ed – what are the things that people ask for and are going unmet – this year we didn't take anything out of their budgets – we are able to refresh old equipment – what does the future hold for things that the district has never known – we did make some tactical moves with our Perkins Grants • PUBLIC COMMENT • Mark Goings - \$4M extra for staffing – question is by now are we using the same strategies this coming year, is the \$113M overstated? • We don't know how long they will be unfilled, if we find a quality staff, we will fill the positions.

- Is there a way that they could have known we are under budget along the way?
- Referring instruments to foundation – what about donating old instruments as an in-kind donation and more ways that the community can get involved
- A few times a year we do get the actual instruments as donations, can sell or sometimes a second large instrument is needed at home

PUBLIC COMMENT

- Sue Bornick – thank you from the Foundation – trying to move forward the \$50K is very valuable because the only fundraising event that they have is focused on raising money for the district. The Golden Apple Award is the only fundraiser held by the Foundation. The revenue from that event pays for \$20K in grant, rental of space, and meals. Printing was donated. Additional revenue from the event went to the bottom line to help support the operations, to focus on the needs of the district instead of themselves.

Next Meeting: 11/12/2019