



BLAINE COUNTY SCHOOL DISTRICT

118 West Bullion, Hailey, ID 83333
www.blaineschools.org

(208) 578-5000
Fax (208) 578-5110

Superintendent GwenCarol Holmes, Ed. D.

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TO: Blaine County School District Board of Trustees

FROM: GwenCarol Holmes, Ed.D., Superintendent
Bryan Fletcher, Finance Manager

TOPIC: Levy Proposal for 2018-19 and 2019-20

Background:

Blaine County School District General Fund revenues have remained flat for the past ten years while expenses have increased. For the past three years, BCSD has worked to balance revenues and expenditures in the General Fund Budget so that reserve funds can be saved for any catastrophic events in the future. This effort has resulted in reductions of \$2.5 million in the past two years, eliminating district level staff positions and reducing school and department budgets. Additional revenues of \$1 million plus are needed and/or additional staff reductions to maintain a balanced budget for the 2018-19 school year. Further reductions will impact the district's ability to offer a wide array of classes for students such as robotics, music, art, drama, World Languages, computer science, construction trades, athletics, etc., which far over and above the state requirements.

In addition to the General Fund, the district is currently collecting \$5.98 million in a Plant Facilities Levy. This levy runs for two more years. The funds in this levy have been used to provide technology infrastructure, heating, cooling and ventilation upgrades, safety and security investments, lighting enhancements, low flow water fixtures, and fire sprinkler installations. In addition, funds were used for a remodel of the Community Campus Performing Arts Theater, Wood River Middle School classroom additions, Bellevue Elementary cafeteria and computer lab additions, Hemingway cafeteria remodel and music room addition, and construction of a maintenance facility to improve the efficiency of district support services for food services and maintenance.

Going forward, some Plant Facilities funds are needed to provide for ongoing building maintenance, technology infrastructure maintenance, and to complete the repayment of the debt that supported the upgrades and additions listed above. The district needs approximately \$2.99 million a year in Plant Facilities monies to continue to provide for building and technology infrastructure maintenance and to complete the debt repayment. This leaves the remaining \$2.99 million in the Plant Facilities Levy to be saved for future use. However, any excess Plant Facilities funds cannot be used to support the General Fund Budget which supports staff and students.

Information:

After advice from counsel, it is proposed that the Board of Trustees ask the Blaine County voters for permission to continue collecting the same amount and repurpose a portion of the funds for student learning.

1. Ask voters to approve \$2.99 million per year for two years for a Supplemental Levy. These funds would be a part of the General Fund Budget and would help support the instructional and general operations of the district.

And

Our mission is to inspire, engage, educate and empower every student.

2. Continue the current Plant Facilities Levy, but reduce the amount collected to \$2.99 million per year for the next two years at which time the levy expires. No voter approval would be needed. A new Plant Facilities Levy would be needed in 2020 or building maintenance and technology infrastructure would need to be moved to the General Fund.

Splitting the current Plant Facilities Levy into a smaller Plant Facilities Levy and a smaller Supplemental Levy to support the General Fund Budget would help address the district's dilemma of relatively flat revenues for the past ten years while also facing increasing expenses despite reductions of over \$2.5 million in the past two years. It would provide more money for student learning and less for buildings.

BCSD would join the other 93 districts, out of 115, in Idaho that are dependent on supplemental levies to support public education. It is most likely that the district will continue to need both supplemental levies and plant facilities levies to continue to meet the high expectations this community has for the education of our children.

The district will continue to need to be judicious in its financial decision making to ensure that it is practicing good stewardship. All services, classes, and operations would continue to be scrutinized for possible savings. Consideration of new services or classes would need to be accompanied by a consideration of reductions elsewhere.

Recommended use of the supplemental levy proposed above:

1. Maintain robust class offerings such as elementary specials (art, music, P.E., engineering technology) and secondary offerings of robotics, World Languages, music, construction trades, drama, visual arts, computer science, etc.
2. Accelerate the district's work to close the Achievement Gap and address growing enrollment of students needing additional support in English language, elementary reading, special education, GATE, and secondary math.
3. Retain and recruit the best staff with a compensation package that allows them to live in Blaine County and recognizes their contributions to students. This would include a modest amount for salaries.
4. Address a few smaller unfunded objectives from the Strategic Plan such as the community's expectation for outdoor education at the middle grades.

The supplemental levy would not:

- Allow the district to restore positions reduced in previous years.
- Allow for a significant increase in staff or class offerings. New class offerings would have to be made by reducing elsewhere.
- Allow for staff wages to be fully adjusted to compensate for lost purchasing power due to inflation.

If there are no additional General Fund revenues (the levy fails), the district will need to make an additional \$1 Million in reductions and will do so by continuing to look for reductions at the district level and adjusting the formula for assigning teachers at the secondary level -- reducing the number of teachers at the secondary level.