



Jack Copps  
Superintendent  
324-2001

Janelle Mickelson  
Business Manager  
324-2040

## Budget and Program Committee

May Butler Center  
55 South Rodney, Helena, MT 59601

Friday April 6, 2018  
12:00 p.m.

### AGENDA

- I. CALL TO ORDER
- II. GENERAL PUBLIC COMMENT: *This is the time for comment on public matters that are not on the agenda. Public matters do not include any pending legal matters, private personnel issues or private student issues. Please do not attempt to address such issues at this time or you will be ruled out of order.*
- III. REVIEW OF AGENDA
- IV. REVIEW OF MINUTES
  1. 3-9-18 Budget and Program Committee Meeting Minutes (See Attached)
- V. INFORMATIONAL ITEMS (See Attached)
- VI. DISCUSSION
  1. Elementary General Education
  2. District Programs
  3. Programs for Accreditation
- VII. SUPERINTENDENT REPORT
- VIII. BOARD COMMENT
- IX. ADJOURNMENT

**Next Meeting -- May 4, 2018**



**Superintendent**  
Jack Copps  
324-2001

**Business Manager**  
Janelle Mickelson  
324-2007

## **Budget and Program Committee Meeting**

May Butler Center  
55 South Rodney

**Friday March 9, 2018**  
12:00 p.m.

### **MINUTES**

**Attendance:**

Tyler Emmert, Committee Chair  
Libby Goldes, Trustee  
Luke Muszkiewicz, Trustee  
Sarah Sullivan, Board Chair  
Terry Beaver, Vice Chair  
Janelle Mickelson, Business Services Administrator  
Greg Upham, Assistant Superintendent  
Alison O'Neil, Recording Secretary

**Guests:**

Trish Klock, HEA President  
Erin Loranger, IR Reporter  
Margaret Bentwood, Parent

**I. CALL TO ORDER**

Committee Chair Tyler Emmert called the meeting to order at 12:05 p.m.

**II. GENERAL PUBLIC COMMENT**

None.

**III. REVIEW OF AGENDA**

No Change

**IV. REVIEW OF MINUTES**

1. Budget and Program Committee Meeting Minutes 1-15-18: Luke Muszkiewicz, trustee, asked about possibility of adding the Montessori and GT budget summaries to the minutes. He wanted to be sure that they would be available to the public as they show the cost per student of these programs over the years. Janelle Mickelson said that she could include these attachments retroactively to the agenda packet for

that meeting online, which Muszkiewicz said was fine. Luke Muszkiewicz wanted to clarify the sentence that began, "Janelle requested a check for future purchases..." to say that she had requested documentation of expenditures made by Helena Montessori parents.

2. Budget and Program Committee Meeting Minutes 2-2-18: No changes.

Libby Goldes moved to approve the minutes as amended for January and February. Luke seconded the motion. The motion carried.

## V. INFORMATIONAL ITEMS

Janelle Mickelson informed the Board that the attachments were meant as informational only, but that she could answer any questions about them. Luke Muszkiewicz asked if the operational levy passed would it mean the district was at maximum. Janelle said that it would.

Tyler Emmert, Committee Chair, noted that he would be reluctant to support a new budget without knowing what exactly it went to. Janelle said that it was 91% salaries, 4% building maintenance, and 5% of it is programs. Tyler said that he wanted to know what went into the program component, not with the intention of cutting it, but just to see what each program cost. Janelle noted that most of the program costs went into individual grade levels, with the other programs being minimal. Greg Upham, Assistant Superintendent, asked if he wanted to see the Full Time Equivalent (FTE) that is attached to the programs as well as operational costs and the other components. Tyler said that he just wanted to get an idea of what the district is offering and what those programs cost. He acknowledged how time consuming this could be, especially with the size of the district's accounting staff, but that he wanted as high a level of detail as possible.

Greg Upham stated that it may be easiest to start with the general education component first as it is the largest, making it easier to pull the auxiliary programs off of that. Libby Goldes commented that when looking at programs it was harder to decide when a program was no longer serving its purpose anymore and needed to be folded into another program. Luke Muszkiewicz said that given that the general education component is the part of the budget least likely to be questioned by the public, it might actually make more sense to start with the special programs. He said that, long term, if the district is going to continue asking for the community to invest in bonds and levies, the Board, as a key part of the district's communications strategy, needs to be able to communicate how they are spending the money. He emphasized that getting a breakdown of program costs was not about cutting these programs, but just to get an idea of how money is being spent.

Terry Beaver, trustee, made a guest comment to the committee, saying that he thought this could be done, but that it would have an extensive impact on Janelle Mickelson and her office and that they might not come out with a balanced budget if they went to deep into every program simply because you would have to allocate cost to so many different difficult to calculate components. Tyler Emmert stated that the cost allocation does not have to go into the same level of detail with every component, the district would just have to decide what is worth allocating out for each component of a program. He noted that the

district would not necessarily have to calculate how much heat and light a specific program, such as Montessori, took up. If done correctly, they should be able to get a balanced budget. He continued that he did not think the community would be okay with the district stopping the breakdown at salaries, building costs, and programs in general.

Tyler Emmert noted that there were two critical issues for the Board: choosing a new Superintendent and approving a budget. He said that he did not want to approve a budget without knowing more detail. Terry Beaver asked if it was a feasible request of Janelle Mickelson and her office. Janelle said that she could not do it right away, but that she could probably have something for the Board before they adopt a budget in August.

## **VI. DISCUSSION**

East Helena K-12 Expansion: Janelle Mickelson explained the estimated scenario she had created for a new East Helena high school. She noted that it was a conservative scenario with an aggressive timeline that she did not think East Helena would meet, and that it was only one of several. She also emphasized that all the numbers were estimates only.

Mickelson noted that in the timeline she had laid out, the bond would be approved on May 8, 2018, and on July 1, 2018, East Helena would become their own high school district. She had consulted with the Office of Public Instruction about how this would affect the size of Helena's School Board, and they would continue to have seven elementary trustees, with one high school trustee from Canyon Creek, but that the high school trustee from East Helena would instead be for Trinity. The Helena School District would also lose the East Helena tax base, which currently makes up 12.24% of the district's tax base. There are about 354 high school students who live in East Helena who attend Helena High right now.

Greg Upham added that on average, the incoming class of freshman from East Helena is 130 students. He also noted that the district does not know how many East Helena students would choose to continue going to Helena High, saying that programming would be a large part of that. He added that of the students from East Helena, 60-70 would need transportation to Helena High. Janelle said that East Helena would have to run a permissive levy for transportation and that Roy Whitmore, the East Helena Superintendent, would like to contract with the Helena School District, who would figure out the cost of transporting these students and then East Helena would pay that cost. She noted that East Helena would also pay tuition for those students, meaning that in the first year, the district may see a budget windfall which would offset the ANB shortage. The committee then discussed how the district would calculate tuition, with Janelle noting that until the school opens, the state law is clear that they are required to charge the state rate for East Helena students after the bond passes.

Janelle Mickelson then continued with her explanation of the estimated scenario for a new East Helena high school. She explained that in the second year after the bond, if the building is built, the incoming freshman class would attend the East Helena School, which would mean approximately 138 students not going to Helena in FY 2019-2020. Grades 10-12 would still attend Helena High School and East Helena would still pay

transportation and tuition for those students. Libby Goldes asked what would happen if a freshman from East Helena wanted to attend Helena High. Janelle said that it would be an out-of-district enrollment and that it would be discretionary on the part of the district. Janelle Mickelson continued that in FY 2020-2021, both the freshman and sophomore students would go to the East Helena high school, and Helena would lose approximately 143 ANB, where before it had not lost any. Grades 11-12 would continue coming to Helena. FY 2021-2022, grades 9-11 would be at East Helena, and each year the tuition and transportation costs that East Helena pays would be going down.

Janelle noted that the projected timeline ends in 2024, and Helena High loses all the rest of the ANB. She noted that she had not included FTE in this projection, so the district's budget authority would go down more than it did here. The model also assumes that students from Montana City continue coming to Helena in the same numbers. Janelle explained that losing the East Helena tax base in FY 2019 would cost taxpayer \$0.59 more on a \$100,000 home, with the total increase being 2.31 mills, which is \$3.12 on a \$100,000 home. The new high school would mean that in 2023, the projected budget is \$879,741 less than it would be if there were no new high school.

Tyler Emmert noted that that number is a fairly low percentage of the general fund considering the amount of the tax base the district would lose. Janelle noted that the decrease would get larger in the years after that. Greg Upham also noted that the district currently has no room in the budget for that loss, which will heighten its effects. Janelle added that the decrease would probably be more than that, it just depends on where the students go.

Luke Muszkiewicz asked what type of programming changes the district might see due to the budget decrease. Greg Upham said that the district would have to look into it and prioritize. It may affect courses where there are just enough students for one section, but that they would also have to look at the popularity of a course and why students take the course. If the course is popular because of its instructor, things may change if that instructor leaves. Tyler Emmert asked what other options besides reducing FTE to make up the budget decrease. Greg Upham noted that the apprenticeship programs, which would result in some students in fewer classes, could be a way to reduce FTE.

Libby Goldes commented that she also saw this as an opportunity, especially given the increased interest in school choice. Luke Muszkiewicz agreed, noting that the district would want to maintain its signature programs as a draw for students.

Terry Beaver asked what the average attrition rate for teachers at a high school. Greg Upham said that Helena retires about 40 FTE a year, with 30 in the elementary and 10 in the high schools, which could ease the budget decrease. There are also teachers who leave without retiring, and the district could handle the FTE decrease through district placement. Greg added that if you look at the 354 East Helena students, depending on how many stay at the Helena schools, the impact seems like it will be less than it could. It is still substantial, but a lot depends on what type of programs the district offers that could attract or maintain students. Tyler Emmert said that he was glad they would not be in a position

of needing to lay off teachers. Janelle Mickelson added that she thought the timeline for this was optimistic, and that East Helena would likely only get 50 freshman students in that first year, with them being housed in the current elementary/middle schools.

Libby Goldes asked if East Helena students continue coming to Helena, would it be the district's discretion which school they went to. Greg Upham said that would happen once the new school opened, but that the district should be considerate of the history with East Helena students going to Helena High. Terry Beaver asked if the district would be able to deny a student from East Helena enrollment in programs like PAL. Greg Upham said that they could, it all depends on whether a student was in good standing. He noted that if a district has open enrollment, they cannot discriminate based on disability or special needs, but that the district would not be required to hire an instructor for an East Helena student if they did not have one available. Tyler Emmert noted that families of students with disabilities would likely choose to move to Helena to take advantage of programs without having to worry about residency. Luke Muszkiewicz added that the district needed to ensure that they were not taking on the most resource-heavy students unfairly nor doing the same to East Helena.

Tyler Emmert said that the district needs to plan on offering excellent programs, noting that so far, East Helena is not planning on having the same level of programs. Greg Upham noted that the advanced courses at Helena High are the biggest draw for students from Montana City, and a similar thing may happen with East Helena. He noted that when you break down ACT scores, AP and advanced courses have a huge impact on ACT score. If a school does not have the resources for AP, then a student's ACT is likely to be lower, regardless of cognitive ability, which is a big deal in terms of equity for students.

**VII. SUPERINTENDENT REPORT**

None

**VIII. BOARD COMMENT**

None

**IX. ADJOURNMENT**

There being no further business, the meeting was adjourned at 1:34 p.m.

**Next Meeting – April 6, 2018**