



Board of Trustees
Budget and Finance Committee
Lincoln Campus
And via Microsoft Teams
Tuesday, March 14th, 2023 – 12:00pm

MINUTES

ATTENDEES

Trustees:
Luke Muszkiewicz, Committee Member
Kay Satre, Committee Member
Terry Beaver, Committee Member

Others:
Rex Weltz, Superintendent
Jane Shawn, HEA President
Kathleen Prody, C.R. Anderson Principal
Janelle Mickelson, Business Manager &
District Clerk
Brian Cummings, Assistant Superintendent
K-5
Gary Myers, Director of Educational
Technology
Josh McKay, Assistant Superintendent 6-12
Candice Delvaux, Executive Assistant
Kaitlyn Hess, Assessment and Federal
Programs
Lona Carter, School Health Grant Facilitator
Kody Pullen, Technology Support Services
Karen Ogden, Communications Officer
Keenan Storrar, Guest of the Public

I. CALL TO ORDER

Trustee Luke Muszkiewicz called the meeting to order at 12:03 p.m.

II. GENERAL PUBLIC COMMENT

There was no general public comment.

III. REVIEW OF AGENDA

No changes were made to the agenda.

IV. APPROVAL OF MINUTES

The committee reviewed and approved the 02.14.23 Budget and Finance Committee Meeting Minutes.

V. ITEMS FOR INFORMATION/DISCUSSION

A. Budget to Actual Reports

Mrs. Janelle Mickelson, Business Manager and District Clerk for Helena Public Schools, reviewed the budget to actual reports for the elementary general fund and high school general fund with the Budget and Finance Committee. Ms. Mickelson mentioned that everything was trending as expected other than substitutes, and that we are seeing a high number for substitutes in the paraprofessional and service worker salaries. There is a deficit in the educator salaries due to lane changes that occurred after the budget was adopted. The Budget and Finance Committee moved on to review the preliminary budget data sheets.

B. Preliminary Budget Data Sheets

The committee reviewed the preliminary budget data sheets. Ms. Mickelson mentioned that the session hasn't closed yet, and this data includes inflationary factors, and the ANB as we submitted it. OPI will be making changes to our enrollment numbers so this information will change, but Ms. Mickelson doesn't anticipate huge changes. The changes in the high school won't affect our ballot language because we are not running a levy in the high school, but the changes in the elementary will affect the dollar amount in the ballot language. The Board of Trustees will finalize the ballot language on March 21st, 2023, at the Board of Trustees Work Session. Ms. Mickelson pointed out that on the first page of the preliminary budget data sheets it shows the state funding dollar amounts which includes Direct State Aid, Quality Educator, At Risk Student, Indian Education For All, American Indian Achievement Gap, Data For Achievement, and Special Education Funding.

The Budget and Finance Committee had a robust discussion regarding disproportionate cost. The calculation for that is based on expenditures two fiscal year prior and during that time high schools were not completely open for the entire year due to COVID, and we were not able to provide the Special Education services we would generally provide in the high school. For that reason, there was a fairly big difference in the high school from our initial budget projection, therefore, our high school financial forecasts are not as healthy as we expected because we will not be receiving that revenue.

Ms. Mickelson moved on to review the budget limitations including the BASE budget, the maximum budget limit, the highest budget without a vote, the highest budget with a vote, and the highest voted amount. In the elementary the highest budget with a vote and the maximum budget are the same and the highest voted amount at this time is \$358,734.85. On the high school side, the highest budget with a vote is around \$75,000 higher than the highest budget without a vote. At the time these were prepared we could have run a levy in the high school for \$75,000 but with the OPI making changes to our ANB numbers, that amount is expected to go down.

The committee discussed that people generally understand that as a district we seek to run general fund levies on a regular basis so that we can operate at or near that maximum budget limit. Some people don't realize that there is a limit in the amount that we can put on the ballots and that authority is very clearly defined in state code.

The Budget and Finance Committee moved on to review the tentative proposed ballot language.

C. Tentative Proposed Ballot Language

- Elementary General Fund Levy
- Elementary Building Reserve Proposition
- High School Building Reserve Proposition

The Budget and Finance Committee reviewed the tentative proposed ballot language for the three levies. The Elementary General Fund Levy currently has the amount that we could vote as it was reported to us on the data sheet. The amount may slightly change, which would also change the ballot language. The ballot language will be certified by the Board of Trustees on March 21st, and we will have a much better idea of numbers at that time. The ballot language has all the information it needs by statute including dollar amount, number of mills, and the effect on a \$100,000 home

and a \$200,000 home. This amount is not the value you could sell your house for, it is the assessed value. This language is what the law requires us to put on the ballot. Ms. Mickelson does not anticipate anything will change for the elementary building reserve proposition or the high school building reserve proposition.

For the elementary building reserve proposition the committee recommended adding the word *Elementary* after the checkbox and words *FOR the*. The committee recommended adding the word *Elementary* after the checkbox and the words *AGAINST the*. For the high school building reserve proposition the committee recommended adding the word *High School* after the checkbox and the words *FOR the*. The committee recommended adding the word *High School* after the checkbox and the words *AGAINST the*. The recommended changes would make the language clearer for voters because there are technically two districts, which are elementary and high school.

Should the elementary and high school building reserve levies pass, it is not technically creating new levies, it is increasing the levies we already have. If the levies pass, the increases would go into effect on July 1st, 2023, and the increases would be authorized for an additional ten years after that.

VI. BOARD COMMENT

Trustee Terry Beaver commented that he would like to know what we are doing right now to address the budget deficit. Superintendent Rex Weltz discussed that we will utilize resignations and retirements, we will review which non-tenure positions will be non-renewed, we will look at the possibility of combination classes, and we will review how we deliver our programs. There will be three staff forums held before spring break to have budget discussions with staff members. We will be forming a Budget Consensus Committee that will be led by a facilitator and will have around thirty members including three Trustees, parents, administrators, teachers, union representatives, and others to be determined that will put together ideas of what it looks like to balance the budget for the 2024/2025 school year and prepare recommendations that will ultimately come to the Board of Trustees for approval.

VII. ADJOURNMENT

Trustee Luke Muszkiewicz adjourned the meeting at 12:51 p.m.