Superintendent's Report

March 19th, 2010

LEARNING UPDATE

- **Board Workshop Learning** – I would like to thank the board and the district leadership team for their work at the recent workshop on budget. I know the process was helpful for Brett and I and my impression from you and from our administrators is that it was worth the effort. What I gained from the experiences is a deeper awareness of the values that we all have around our work. The following are some of the biggest takeaways for me that will be reflected in our budget proposal:
    1) We are all committed to learning and improving/changing wherever possible to provide the best possible learning environments for students.
    2) Results are valued more than maintaining the way we have always done things.
    3) We see money as a tool to achieve our desired ends, rather than the focus of our thinking and conversations.
    4) We are ready to think differently rather than simply reduce services to students and cut staffing to save money.

  I appreciate the board's openness to approach the conversation of budget development using the Learning to Learn model. It turned what could have been a boring "sit-n-get" into a process where we all learned. Thank you for allowing it to occur and helping the district leadership team learn in the process.

BOARD UPDATE

- **Budget Update –** As you probably know, the legislature has moved into special session in order to finalize their budget and wrap up the last of the bills. Both Brett and I are encouraged by what appears to be a more manageable state budget reduction scenario. Our most recent estimates were that we needed to prepare for a 200K to a 400K reduction of revenues from the state. The House budget was more friendly to K-12 education, leaning toward the 200K end of the spectrum. Our belief is that the final state budget will be more aligned with the House version. With that said, there are some extra variables that will impact this amount (positively and/or negatively). First, the legislature did approve a raising of the levy lid from 24% to 28%, which on the surface is not a good thing because it pushes more of the costs to local taxpayers. For us, we are not even at the current lid and don't feel our taxpayers could support an increase so this option is not really even a possibility for us. The positive side of this change is, however, that in order to get this lid increase to pass, the legislature increased the levy equalization from 12% to 14%, which will generate additional state match money for us. Also, because of our significant drop in local assessed property values this past year, we expect to receive additional levy equalization funds from the state. As a possible new negative impact that will erode the above positives, we are watching our enrollment closely as we appear to be losing some students due to economic stress. If this trend holds and continues into next year, this could have significant impacts on our budget projections. With all this in mind, I believe we can build a budget that will allow for a <u>no</u> RIF scenario to occur, all the while maintaining our current level of services. In fact, I am still hopeful that we can even expand our level of services by thinking differently about how we create learning opportunities and use our resources in more creative ways.

- **KWRL Property Purchase Update –** We continue to work with the property seller to work out all the details and check off the contingencies. The process for receiving the conditional use permit has taken a slight twist, but a plan is in the works to address it. The issue came up when the county said that we would need to have 1/32nd of a section (approximately 19.2 acres) to keep with current county code for subdivision of the parcel held by the owner. Our original agreement was for a section of the property that included M/L 10 useable acres and about 8 acres of wetlands (obtained at no cost) and thereby falling short of the necessary 19.2 acres. We have been working with the seller to purchase an additional acre (M/L) of land for a cost of ¢.61 per sq. ft. (approx. $27,000). Even though this is additional money, we will be able to save on costs of meeting the different county standards that would be required if we pursued rezoning in order to purchase. In the new agreement we are working on, the original seller could purchase back the additional acre at some future point and at the market value at the time it is repurchased thus giving us only the acreage we need. All said, we still believe the property is a great value and a wonderful location for a joint bus facility. In closing, please see the correspondence in the consent agenda for a local group that is concerned about the facility being built in this location. They have addressed their concern with the Ridgefield school board (because this property is in their district… for the time being). I just want you to be aware of their position and efforts to express concern.
- **CORE-24 –** This week I attended the ninth meeting of the CORE-24 Implementation Task Force (ITF) for the State Board of Education (SBE). As co-chair of the ITF, I was very pleased with the task force's work to date. I believe we will be able to present a broad list of recommendations to the SBE at their May board meeting in Spokane (which I will need to attend as a presenter). Furthermore, based on the work of the ITF and how the SBE has positively accepted our ideas and considerations so far, I am confident that our local work to align graduation requirements to CORE-24 continue to be appropriate. This will give us a great head start on changing our organization to meet these new state expectations.
- **Audit Results –** First off, thanks to John and Cris for being able to attend the audit exit meeting last week. The results of the audit once again verify that our fiscal team and staff are doing a quality job of following acceptable accounting practices. Kudos to the whole crew for their consistent hard work and dedication to being good stewards of the public's money.

I think that is all for now. Please give me a call if you have any questions. Talk with you later.

Mark