

**School Administrators of Montana
Board of Directors Meeting
April 7, 2017
SAM Office & UberConference – 2:30 pm
Helena, Montana**

MINUTES

Present: Rick Duncan, Jon Konen, Rick Chrisman, Peter Fusaro, Peter Hamilton, Brenda Krueger, Dale Olinger, Joel Graves, Kirk Miller, Pat Audet

UberConference: Tobin Novasio, Rich Lawrence, Laurie Barron, Steve Engebretson, Pam Meier

Absent: Jen Cline, Paul Furthmyre, Dan Kimzey, Lance Boyd, Randy Cline

Call to Order: Past President Rick Duncan called the meeting to order at 2:36 pm; Introductions were made.

*Deletions/
Additions:* None noted

MEGA Issue Discussion Topic: SAM Advocacy 2017 – Legislature and Congress

Kirk reported on the legislative session and the current action that is causing a stir. Kirk put the Status priority document up but first showed the new website and where the advocacy pages are now located. SAMLN17 Members appreciate SAM Legislative Weekly Update and not getting bombarded each day with emails.

Kirk covered the Status of Bills Followed by SAM. K-12 is 33% of the total State General Fund – 1.2 billion dollars. Three tools available to the legislature to balance the budget – make cuts statewide, increase revenue through taxes, or shifting the tax burden for payment of the shortfall. Kirk described in terms of the 1995 scenario – bathtub years (pre-Schweitzer) – if this were the current situation we would have a 3.85% decrease in FY 18 and 0% in FY 19. Now, providing inflation to education is law - \$58.5 million to schools (despite \$125 million short-fall in the state general funds). “Road to Success” MTPEC Issue Spotlight distributed in January is an accurate depiction of what is currently happening with school funding in the legislature. This session started with Governor making cuts to the Section E budget. HB 191 added the inflation to the components of the funding formula (did a shell game by lowering the percent provided in the first year and lower funds from interest). HB2 has placed all the funding requests back, including cuts recommended by the Governor’s Budget and additional funds for Special Education allowable costs and the Montana Digital Academy. HB 647 is the coordinating language for HB 2, putting how this is all going to be funded into policy. If both pass, schools will retain budget authority with inflation added to the state’s share.

Kirk then described the possible end game starting with the fast track of HB 647. The angst is that the block grants will be taken out. Annual increase of statewide GTB ratio will be 193%, 217%, 224%, 232% over the next 4 years recapturing any losses temporarily caused by the block grants. The harm is that these are permissive mills that will be added and cause increases in local property tax. In four years, the losses will be made up through the GTB. The angst is the tax shift and that school communities are

not fully aware of this. This is especially alarming to those that have passed bonds or levies and promised only a specific increase in taxes; however, the shift is caused by legislature shifting the burden – the school is not responsible. OPI budget sheets are being distributed (even though the session is not yet complete in its final determinations) and SAM is hearing concerns from our members. These bills have not passed yet. Contacting legislators with this angst may cause harm and this could result in the 3.85 % cut as previously described. Kirk then described the Block Grants and ways of collection – redistribute to the schools in an equitable manner. Other public sectors would love to have the Block Grants. Kirk is referring to the 1990 license plate fees, etc that are the State Block Grants. Kirk described HB 390 was a possible vehicle for all of the funding as opposed to HB 2 – Rick brought this question to the group. Kirk stated the belief that HB 390 will pass as stand-alone bill. HB 647 will be the main coordinating language bill. All indicators reveal that the Block Grants going away will cause the shift of covering that loss to the tax payers permissively – made up in four years by the GTB catch up. This would be due to the possible action of the Legislators. There has been mixed communication confusing some members of the actions on HB 2/HB 647 with SB 307 (school facilities subfund) and SAM is communicating to clear up that confusion. The bottom line message is that schools need to hold off and wait until the legislature goes home and allow MT-PEC to craft an Issue Spotlight describing the funding and taxation resulting from legislative action, so that our school leaders have the opportunity to inform their community about the impact of the legislative session.

*Approval
of Minutes*

SAM Board of Directors Meeting January 13, 2017
SAM Executive Board of Directors Meeting March 12, 2017

Vote: Both are approved by Unanimous Consent

*Old
Business:*

Consideration of SAM Financial Review 2015-16 conducted by Anderson ZurMuehlen

- Kirk showed and described the SAM Financial Review Report to the Board.
Motion by Jon Konen and seconded by Peter Fusaro to approve the fiscal year 15-16 financial review.
Vote: Passed Unanimously
- Rick described that the marketing of the LPLP and believes that many would join the program after the fiscal year as opposed to end of this fiscal year.
- Kirk then specifically described the LPLP marketing scheme. He also played the Tom Unwin marketing video. Rick described the great potential of the SAM LPLP program.

*New
Business:*

1. Review of SAM President-Elect Candidate eligibility and election process
 - Kirk described the process to determine eligible candidates (graphic of eligibility included in the board materials. Emails of those eligible intent to be considered a candidate must be sent to Kirk by April 21st; ballot with those candidates indicating interest will be sent to the current SAM Board for voting on April 24th.
2. Consideration of SAM Youth Endowment Distribution – Pat described the process of rating the nominees.

Motion by Rick Christman to approve the disbursement of these funds to ALL students; seconded by Brenda Krueger.

Joel Graves moved to amend the previous motion and add \$250 to Katana Srigley; seconded by Steve Engebretson.

Vote: Passed Unanimously

Peter Hamilton moved to amend to lessen Wyatt MacKubbin to \$500 to \$750 from \$1000; seconded by Steve Engebretson.

Vote: Passed by a 13-1 vote (Tobin voted no)

Vote on twice amended original motion: Passes Unanimously

3. Consideration the Delegate Assembly Steering Committee Chair presiding over the Delegate Assembly – Kirk described the proposal of having the SAM DA Steering Committee Chair presides over the Delegate Assembly instead of the SAM President. There are no Bylaws that state this cannot happen. It is not in the job duty description for the SAM president. The DA process does not state who should preside over the committee.

Motion made by Jon Knonen and seconded by Dale Olinger to approve the change of procedure that the Delegate Assembly Steering Committee Chair will preside over the Delegate Assembly Meeting.

Vote: Passed unanimously

Side discussion on DA – the clean-up of representation during the delegate assembly. There can be no changes in the personnel of each DA affiliate within one week of the Delegate Assembly.

*President's
Report:*

Paul Furthmyre (absent – no report)

Executive Board Meeting 3-13-16 Report

SAM Staff Review (Evaluations) 2016-17 and Contracts for 2017-18 – Rick and Kirk described the SAM Executive Board approving the contracts of the SAM personnel for 2017-18.

*Executive
Director's
Report:*

Executive Director Update 4-7-17

Kirk described that the website conversion has taken away some of the links from the online report. He did encourage the board to go over the Strategic Plan report to see what objectives have been met, quarter by quarter (Strategic Plan Update 3rd Quarter 2016-17). He also encouraged the board to read the SAM Presentation Update where the links do work. Kirk then described the upcoming SAM Administrators Institute 2017. He also described the upcoming MCEL 2017 and its motivational changes. Rick discussed the list serves will be a thing of the past at some point. The list serve is still intact. Kirk described the new community forum for each affiliate will be made available on the new website.

Kirk also discussed the SAM Board officers presenting at the Evening of Excellence and also presiding over the SAM Administrators Institute 2017 and making introductions, etc.

*SAM
Financial
Report*

SAM Investment/Finance Committee

- SAM Finance/Finance Investment Committee Report
- Update on 2015 Tax Form 990's for SAM and MASS – Kirk described that this report will be given at the June Meeting.
- SAM Youth Endowment Fund – Kirk described how that money accumulates into the budget and the complete fund accumulation. The board dispurses 75% of the money that is collected annually.
- Proposed 2017-18 Budget – a first look at the proposed budget was reviewed by the SAM Board. Action on the Proposed 2017-18 Budget will take place at the June SAM Board Meeting.

*Membership
Report:*

Pat Audet provided an update on 3rd quarter 2016-17 membership totals (a copy of report is included in the meeting materials)

- 1018 members as of March 31; 2016 – 987 at this date last year, 3rd quarter.
- SAM is currently at 1019 total at this time for 16-17. There was a total of 987 for 15-16.
- What percent of administrators in the state are SAM Members? **82%**

200 Superintendent Positions - MASS Members =	215
731 Principal Positions – MAEMSP/MASSP Total Members =	542
<u>56</u> Counties – MACSS Members =	<u>53</u>
987	810

Tobin asked about a discount for any member whose district does not pay their membership. This could not happen in that way due to what is owed to the national affiliate, SAM Youth Endowment and policy of affiliates for keeping some funds with the affiliate. A possible restructure was discussed – SAM Board could allow a portion of the budget to pay for any prospective members that cannot afford their dues.

*Affiliate
Reports:*

MASS – Laurie Barron reported on the March Conference with the Day of Advocacy. MASS plans to do the joint conference in the fall with MCASE.

MASSP – Dan Kimzey (absent) Joel Graves reported the joint conference next year with MAEMSP – April 4,5,6 at Fairmont. Joel also reported on the conference held this week.

META – Rich Lawrence reported on the METAtchEd 2017 conference. He also reported on advocacy for technology and infrastructure. Rich mentioned the committee work on Network Security and Erate (with NCCE) and tech readiness.

MAEMSP – Jon Konen reported on the position change in the MAEMSP executive board (MAEMSP President-Elect). Jon described the MAEMSP winter conference. He also mentioned the joint conference with MASSP for next year. Jon also reported on the NAESP Leadership Conference. He also mentioned that Dave Wick is up for NAESP VP – campaigning hard.

MCASE – Jen Cline (none – absent)

MACSS – Steve Engebretson (none- absent)

*Legislative
Update:*

Rick Duncan, Delegate Assembly (DA) Steering Committee Chair, reported on the legislature stating the last day is April 29. He also mentioned the Delegate Assembly coming in June.

*Federal
Relations:*

Brenda reported their work at the NAESP Leadership Conference- she provided a handout report. She also reported on the cutting of Title II Part A. Brenda stated the discussion held with Sen Daines on School Choice – he believes parents should have a choice for their kids. She mentioned the portability of Title I funds with movement of students.

Rick reported that the MT affiliates signed onto the AASA, NASSP and NAESP letter. He stated that Trump is boasting putting a lot of money into education when he has cut 13%. He discussed a federal court decision on special education that will change the dynamic of IEPs, etc. He also mentioned the AASA Leadership Conference in July. Senator Tester will be the Deer Lodge commencement speaker next year.

*Future
Meeting
Dates:*

SAM Board Meetings –June 15, 2017, October 19, 2017

Adjournment **Past President Rick Duncan adjourned the meeting at 5:10 pm.**
Motion by Joel Graves to adjourn, seconded by Brenda Krueger.

Respectfully Submitted,
Patrick R. Audet
SAM Associate Director