

State of the District Address January 21, 2008

Broken Bow Board of Education, Faculty, Staff, Administration, Students, Parents, Patrons, and other interested persons, I present my 8th Annual State of the District Address.

Over the past seven State of the District Addresses, I typically reviewed the accomplishments of the past year and looked into the next year with the challenges confronting Broken Bow Schools. The topics reported were far and wide, ranging from the hiring of Mr. Kujath as the High School Principal to curriculum and programming changes to things like window replacement at Custer School.

This State of the District Address, the 8th Annual, I plan to narrow the focus to review the processes that led us to what is arguably the most important single event the patrons of Broken Bow Schools have experienced, and will be asked to participate in, over the past 40 years since the building of the current High School: The bond election scheduled for May 13, 2008 requesting funding for a new elementary school with renovations to the current high school and middle school. I think it important that the Board and community be refreshed on how we came to this juncture. This review may be long, but that is because the process was long--we started down this road in January of 2006.

Overview

Of the many meetings and processes conducted and implemented to bring us to the current point, two major series of community meetings were conducted. These community meetings were the Essential Finance Planning committee and the Community Facilities Planning Committee. I review the composition of the committees, the work conducted by the committees and the results of the committees, all of which led us to this discussion of facility construction and upgrades, in my report below.

Essential Finance Planning

Committee Development

The first series of meetings, the Essential Finance Planning meetings, consisted of eight community meetings conducted January through March of 2006. Advisory Committee membership was determined on a self-selection basis, meaning that people on the committee placed themselves on the committee. District patrons were notified of committee development by invitations to participate delivered to the community-at-large through radio and newspaper ads, as-well-as solicitations placed in the district newsletter. Additionally, 121 personal invitations to participate were mailed to district patrons who had, through the years, indicated interest in the operations of Broken Bow Schools. In addition to the at-large and personal invitations to district patrons, each staff member of the school district received a personal invitation to participate.

Over the course of the eight meetings, a total of thirty-six individuals participated. In the end, a core of about thirty people was present at any given meeting.

Essential Finance Planning Defined

Essential Finance Planning (EFP) is a process in which the end-product identifies those items necessary for a quality education as established by the community stakeholders. EFP has three major foci:

1. It is a process of decision-making that produces action-oriented plans related to school financial standing;
2. It attempts to predict the future and create a plan that is action oriented rather than reaction oriented when financial situations change; and
3. It is an act of deciding a plan of action targeting what a district wants to have happen and being prepared to implement the plan as needed.

Essential Finance Planning Purpose

The purpose of Essential Finance Planning is to determine the governing values in the area of finance. In other words, the idea is to examine and postulate the community "rules of engagement" to assist the School Board as it goes about its work of balancing the resources available against the programming and operational needs of a large, multi-faceted agency such as a school district. This was the focus of the Essential Finance Planning committee.

To conduct this mission, the committee examined course and program offerings, identified resources, and determined the "Vital Few," which are the programs and service priorities believed by the Essential Finance Planning Committee to be most essential to a quality education in the Broken Bow community.

Essential Finance Planning Results

Below, I will review the results of these activities that were conducted over the course of eight separate advisory committee meetings, all facilitated by Ms. Marge Beatty, Executive Director of Educational Service Unit 16. Ms. Beatty led the activities and recorded the results. The results were compiled in the report entitled Essential Finance Planning: Advisory Committee Final Report. It is this report from which this portion of my Address is derived. The Final Report was distributed to the members of the Advisory Committee and a copy is currently available for review in the Superintendent's office.

Those in attendance at the first meeting will remember that in my introductory comments I said, "The purpose of the study is to approach the complex issues of school district finances in a positive, pro-active, community centered approach. The outcome of the next eight sessions will be a deeper understanding of school finances. This is important so that if, and when, the next budget crisis occurs, there are stakeholders in the community who know and understand school finances."

Ms. Beatty expanded on my comments by stating, "The board is requesting that the community committee look at the facts and create an advisory plan to address the financial issues of the district. The plan needs to be based on what the community believes is important. Further, the plan will serve to advise the board of education, however, the board reserves the right to accept the plan as they see fit."

These comments were the beginning statements of a community trek on which we continue to this day -- a full two years down the

road.

Desired committee outcomes

Through various small- to large-group activities, it was possible to harness the various ideas of the individuals into larger concepts on which all eventually agreed. As for the eventual agreement on the best possible outcome of the advisory committee itself, the committee established that the ideal outcome for the committee was to:

1. provide more awareness to community members regarding the issues the school faces,
2. design a road map for the future of the facilities,
3. discover options for additional resources, and
4. maintain and improve educational opportunities for students.

Trends

A component critical to the work of the committee was having a good handle on the trends within which the school finds itself operating. The trends fell under four headings: Political, Social, Eco-nomic, and Educational. I enumerate the findings here:

Political

1. The local political actors are active but the community is disengaged,
2. There has been a shift to state and Federal dominance over the educational process, and
3. That money, or the lack of money, defines the issues.

Social

1. There is an increasing number of non-traditional families,
2. The majority of people resist change, and
3. Demographic shifts affect our school and community. These demographic shifts were identified as home schooling, option enrollment, loss of population, and an aging population.

Economic

1. Increased technology and transportation creates a world-wide market and
2. There is an extreme volatility of elements that drive economic trends such as fuel, health care and interest rates.

Educational

1. The trend to re-focus educational programming to meet the (assessment) requirements and standards.
2. Increased pressure on classroom teachers, coupled with the failure of salaries to keep pace with other professions, resulting in a shrinking pool of qualified teachers, and
3. An increased number of students with high needs.

The Vital Few

Ms. Beatty utilized a process that led to the development of the Vital Few. Remember, as defined earlier, the Vital Few were those priorities established that identified programs and services believed to be the most vital to a quality education at Broken Bow.

The Vital Few as determined by the committee were reducing the pupil/teacher ratio in the elementary classes and continuing the music and physical education offering at the elementary schools. At the High/Middle school the Vital Few resulted, in fact, in the Vital One-continue to address the content standards, assessment, and accountability. Additional discussion was held regarding careers and curriculum.

Review of Information

Much time was spent in the committee reviewing the statutory and regulatory requirements placed on schools and doing some comparative work against similarly sized schools. The committee examined the Broken Bow School Improvement Plan, the negotiated agreement, the District Report Card, statistical information, and financial reports. Virtually any question posed by a member of the committee regarding these items was addressed.

For example, the committee discovered that Broken Bow has the absolute minimum number of administrators permitted under Rule 10, the rule by which schools are accredited in order to receive state funds. We have the minimum number of school counselors and operate at the state minimum of media specialists. In all, the regulatory review indicated that Broken Bow is operating at a rate that is minimally allowable in order to remain an accredited school district in the State of Nebraska.

In finance, an entire evening was spent in an attempt to identify sources of additional revenue. The end result was that short of a levy override there was no method of raising sufficient revenue to have any affect on the revenue of the district. At that point there was not any support for a levy override. Considerable discussion took place on the district budget. All financial documents of the district were made available to the committee so that members could examine those documents. Basically, the discovery by the committee was that the current fiscal outlook for the District is that it will continue to exist in a year-to-year budget cycle with little wiggle room. With the overall declines in state equalization aid, a lid on levies, increasing assessed valuations, and a general, gradual decline in student enrollment, there just isn't much latitude under which educational choices can be made.

After all these weeks of study, meeting, and discussing, this complete review of the district operations was concluded and summarized. In essence, the committee recommended the following recommendations: Among others, the school district should access all available tax and budget lids, conduct a study to determine the district's facility's needs, and (in an amazing turn-around) recommended the Board "give careful consideration" to a three- to five- year levy override.

From these recommendations, the Facilities Committee of the Board developed a list of priorities for the Broken Bow Board of Education to address. These three priorities were:

1. Address immediate, critical facilities needs (for example the High School and North Park roof),
2. Meet short-term financial needs of the district, and
3. Develop long-term facility plan.

Concluding comments of Essential Finance Planning

In bringing this portion of the review to an end, I would like to make an editorial comment. Those district patrons participating on the Essential Finance Planning Advisory Committee

had an opportunity of a lifetime. These patrons got not just a peek, but a full examination of the operations, restrictions, opportunities, needs, and wants of a \$7,000,000 per year operation. Nothing, absolutely nothing, was withheld from their examination. Not many people have the opportunity to study a political sub-division like these people did. And because of those people who gave of their time and efforts, we are a better school district.

Facility Planning Committee

The second series of meetings was to implement item (d) of the first phase of recommendations of the Essential Finance Planning committee. Item (d) was "Design a sequential study to determine the district's facility needs. Have the buildings reviewed by a structural, mechanical, and electrical engineer.

Question whether-or-not the buildings are structurally sound and mechanically and electrically able to handle the current demands of technology: A facilities study needs to address the parking issue, also" (page 13).

Facilities Audit

The facilities audit was conducted in the summer and fall of 2006 by an architectural firm (Bahr, Vermeer, and Haecker) along with assistance from BD Construction, a contracting firm operating throughout the State of Nebraska with access to the necessary structural, mechanical, and electrical personnel. The results of the facilities audit were released to the public at a second series of community meetings conducted January through April of 2007.

The facilities audit examined four of the six sites which comprise Broken Bow Schools. They were North Park Elementary, Custer Elementary, Middle School, and High School, Tappan Valley Preschool and Round Hill were not audited.

The audit studied the sites under four headings: Building repair issues. Life safety code issues. American with Disabilities Act (ADA) issues, and Instructional delivery issues.

Facilities Planning Committee

The second series of meetings, the Facilities Planning Committee meetings, consisted of six community meetings conducted January through April of 2007. Facility Planning Committee membership was, as was the Essential Finance Planning Advisory Committee, determined on a self-selection basis, again meaning that people on the committee placed themselves on the committee. District patrons were notified of committee development by invitations to participate delivered to the community-at-large through radio and newspaper ads, as-well-as solicitations placed in the district newsletter. Additionally, 163 personal invitations to participate were mailed to district patrons (the initial 121 from the Essential Finance Planning mailing list plus forty-two additional patrons who asked to be notified of the next phase of planning). In addition to the at-large and personal invitations to district patrons, each staff member of the school district again received a personal invitation to participate.

Over the course of the six meetings, more than ninety individuals participated in at least one meeting. The first meeting had 83 attendees and the number tapered off slightly each succeeding meeting until the last two meetings had 45 and 48 participants, respectively. A good number of people attended each of the six meetings.

The facilities planning committee meetings were facilitated by Mr. Jim Berg of Bahr, Vermeer, and Haecker. Mr. Berg was assisted in these meetings by Mr. Mark Lewis of BD Construction.

The basic format of the initial meetings was to review the building issues under consideration for that evening's meeting, have the participants conduct their own self-guided tour of the facility with a listing of the concerns identified by the facilities audit as a guide, and return for a brainstorming activity to develop solutions.

Group decisions were made using a fist-to-five format. This is a linear voting procedure in which a fist means 'strong no', one finger means 'no', two fingers means 'weak no', three fingers means 'weak yes', four fingers means 'yes', and five fingers means 'strong yes.' When a decision was needed from the group, Mr. Berg would ask for participants to raise their hands with their fist-to-five vote. The votes would be discussed and perhaps re-voted.

In this way, the group was moved to narrow any and all options on the table into manageable frameworks. It was not necessary to have all participants voting some form of yes or no to carry the topic forward, but a clear majority had to be of a 'strong no' or 'no' to negate a topic and a clear majority of 'yes' or 'strong yes' was necessary to continue the topic.

At times those voting 'strong no' or 'no' were asked to voice their opposition and state if perhaps some alteration to the topic could be implemented to gain their support for a 'yes' or 'strong yes' vote. Many votes were taken on any given night. As always, the votes were discussed, the topic refined if necessary, additional votes taken, or, as happened, topics were removed from discussion if a clear majority of the participants continued their opposition.

Results

The end result from the work of the committee was a listing of three recommendations to be made to the Board of Education. The committee was well aware that these were recommendations and that the final selection, or no selection, would be the responsibility of the Board of Education.

The preferred recommendation was a new 7-12 building built on a new site on property that would be donated contingent upon the construction of a new 7-12 building. There was much discussion regarding whether the higher cost of a new 7-12 (as compared to the cost of a new PK-6 elementary) was merited by the offer of donated ground.

The remaining two options were to demolish the current Middle School and replace with new construction and upgrade the elementary buildings or construct a new combined elementary school at a new site and construct upgrades at the existing High School and Middle School.

Project selection

You, the Board of Education, committed to the list of projects as developed by hundreds of volunteer labor hours, set about selecting the option that best fulfilled your sense of the optimal project. The process seemed messy at times with sentiment ebbing and flowing between a 7-12 project and a PK-6 project. As you will recall, meetings were well attended during this deliberation. But in the end, you settled on a new elementary project and improvements to the High and Middle Schools. That is the focus of our work today.

Conclusion

To date, a fiscal agent has been selected to assist with the upcoming bond issue and make necessary bonding arrangements upon a successful bond election. The necessary policies to utilize the Construction Manager as Agent process have been adopted. Final arrangements for purchase of the building site are at hand. necessitated since the 7-12 building was not selected as the final project. Arrangements for a community meeting to present the project to the community is on the agenda for February 5, 2008. Yes. you have committed long hours, engaged in untold numbers of conversations as a board and individually, put your feelings out for public examination, and made difficult decisions.

In conclusion, you have a vision for the schools, shaped in large part by the two-year process of discovery in which the community participated and in part by what you carry in your heart. But in the end, due to your diligence, we have an opportunity to make a better learning environment that is safer, more accessible, and by far more comfortable so that our children, and our children's children, may benefit as we move into new tomorrows.