

**Combined Education Committee
Wednesday, September 7, 2016 4-6 PM
County Office Building, Reagan Room**

Attendance:

Commissioner Richard Weaver
Commissioner Doug Howard
Paula Singer, Facilitator
Delegate Susan Krebs
Senator Justin Ready
Devon Rothschild
Bob Lord
Steven Aquino
Michelle Rogers
Daniel Hoff
Glen Galante

The meeting was opened by Paula Singer, Facilitator and introductions were made of the guests, Ms. Rachel Hise and Mr. Scott Gates from the State Department of Legislative Services.

Adoption of meeting minutes of August 24, 2016

Upon motion of Commissioner Howard; second by Delegate Krebs, the Committee unanimously approved the August 24, 2016 minutes which were adopted as presented.

Dr. Singer stated that all future dates of the meetings are now up to date on the committee's web site.

Mr. Ted Zaleski, Director, Carroll County Department of Management and Budget presented an overview of the County's funding to Carroll County Public Schools (CCPS). The County has shared similar funding problems which face CCPS.

- Since FY 2009, the County budget has grown 1.29% growth per year, on average.
- CCPS projects their future needs at a 7% growth per year.
- Maintenance of Effort (MoE) – in FY11 the County funded CCPS at MoE, and in FY12, the County funded \$267,000 over MoE. The County is now back to funding millions of dollars over MoE.

Mr. Steve Guthrie, Superintendent, CCPS, gave a presentation on the State's formula for education and its affect on declining enrollment. The information presented was from Maryland SDE funding charts and Department of Legislative Services.

- Enrollment during 2004-2005 unprecedented growth
- 350-400 students dropped per year and anticipated same for next 5 years
- Revenue is calculated on a per pupil basis
- State funding – FY09-FY17 – Bridge to Excellence Master Plan ended in FY08. In FY 09 was the first decrease from the new formula from Thornton.

- Carroll has seen a 8.2% decrease in State funding
- 11.3 million less funds received, cumulative over the course of the period of FY09-FY17 years
- According to State calculation, Garrett County is the most wealthy; it appears that the State funding formula is flawed in the following ways:
 - Current Foundation funding formula treats students as 100% variable cost
 - Wealth calculation based on a per student number disadvantages counties with declining enrollments
 - Implicit Price Deflator (IPD) was eliminated or capped; Carroll County was not able to get a hold-harmless agreement to protect them from this.

Request for future discussion

Ms. Michele Rogers, in follow up to Commissioner Howard’s previous statements about finding innovative ways to teach, asked for information on what funding CCPS would lose if the teaching curriculum is changed.

Ms. Rachel Hise, Department of Legislative Services, was introduced by Del. Krebs, along with **Scott Gates**, from DLS.

- One of the main issues for Carroll County in the timing of the phase-in of Thornton. FY2008 Thornton funding ended. In 2009, the effects of the recession, combined with declining enrollment, and the State not funding the inflation factor for six years, was capped or frozen.
- Per pupil funding FY 16 - Carroll County receives \$13,500 per student in all aid, which is about 17th in the State
 - Carroll is 10th in local funding, State at \$6,998 per student
- Factors affecting local education needs
 - At Risk – Carroll ranked 24th ; Carroll has the highest graduation rate in the State
 - Local Wealth per pupil – Carroll ranked 10th
 - Direct funding per pupil – Carroll ranked 16th

Discussion ensued where Carroll falls in to various categories and how funding is calculated at the State level.

- Wealth is calculated at the State level by, and has been calculated in this way for a very long time:
 - 40% residential assessed value ¹
 - 100% of utility property
 - 50% of personal property

1 Presenter misspoke; the wealth formula is calculated on the following: 40% of total real property values; 50% of total personal property values; 100% of public utilities assessable base; 100% of net taxable income

Discussion regarding Adequacy Study Final Reports and the Kirwin study, which is due by December 2016.

Delegate Krebs requested that Commercial/Industrial base should be considered by the State in calculating funding.

Senator Ready requested, with regards to the pass down of teacher pension costs to the County, is there a possibility of offset or help with these costs? Ms. Hise responded that it's not likely to be revisited by the State.

Suggestions by committee members:

- Incentivized results
- Cost savings suggestions
 - joint purchasing; school system can piggyback on to County
 - health care; a study was done and it showed the costs increasing substantially
 - snow removal

Concerns expressed with regard to availability of affordable housing for beginning teachers and the amount of student loans teachers are coming out of college with.

Dan Hoff would like to get a sense of requested funding: What are they requesting in relation to compensation? What makes up that requested funding #? Mr. Guthrie stated that is shared in the budget as a line item.

Commissioner Howard would like a discussion about CCPS budget and the percentage spent on compensation and transportation, and an explanation of the salary step system.

Ms. Michelle Rogers asked Dan Hoff, regarding education, if education system goes down, how does that affect the rest of the County? Mr. Hoff replied that it would have a negative affect on home values.

Future meetings

Delegate Rose continues to work with Bob Lord and CCPS staff regarding career & technology

Next meeting

Mr. Glen Galante will present on teachers' salaries

Brain storming session

Public comment

The next meeting is scheduled for September 21st, 4:00-6:00 pm, followed by a public comment time from 6:30-8:30 pm, County Office Building Reagan Room

5:34 pm adjourn