

## **Wilmington Education Improvement Commission**

### ***Fiscal Impact Ad-Hoc Committee***

Marshallton Education Building, Sharp Conference Room

Meeting Minutes – October 21, 2016

#### **Dr. Joe Pika, Chair, called the meeting to order at 2:00pm.**

J. Pika thanked the members for their commitment and facilitated introductions of all committee members present. J. Pika mentioned that the group would focus on the fiscal impact of the transition of City of Wilmington students.

#### ***Background and Charge of the Committee***

J. Pika asked Dan Rich to provide a summary of Senate Bill 300 with House Amendment 1 in relation to the fiscal impact analysis. D. Rich noted that this bill requires the Wilmington Education Improvement Commission (the Commission) to conduct an assessment detailing the total fiscal impact of the transition of City of Wilmington students from the Christina School District to the Red Clay Consolidated School District due to redistricting. The Fiscal Impact Ad-hoc committee was created to conduct the assessment of the fiscal impact of redistricting.

D. Rich mentioned that his understanding of what the General Assembly wants the committee to do is to examine the fiscal impact of transitioning Wilmington students from the Christina School District to the Red Clay Consolidated School District.

J. Pika made a note that the General Assembly has asked the WEIC Fiscal Impact Committee to “price out” the plan for redistricting. He also noted that the Commission has specified membership and that the General Assembly has not. The General Assembly is waiting for the committee’s fiscal assessment of the transition before it reviews the redistricting plan during the upcoming legislative session.

#### **J. Pika asked if there were any questions on the fiscal impact process and on where the WEIC Commission is now in their work.**

#### ***Overview of the Process***

J. Pika provided an overview of the process of the committee’s responsibilities. He mentioned that Friday afternoons work well for committee members to meet for monthly meetings. The committee’s final report will be sent to the Commission for review by their February 28 meeting so that the final fiscal impact analysis can be presented to the General Assembly by early March. He said the committee should work on completing the analysis by January/early February and may need to double up on meetings in these months.

J. Pika said he spoke with the Delaware Department of Education, Red Clay, and Christina School Districts to identify the data that will be needed to conduct the analysis. He mentioned that the data collection should be completed by mid-December.

Chris Kelly, University of Delaware’s Institute for Public Administration, said that as long as the committee abides by the timeline set forth, the data collection and final report should be

completed and submitted to the Commission for review at the February 28 meeting. He said the committee may need to hold two meetings in both January and February to help meet the February 28 deadline.

### ***Work Plan***

C. Kelly mentioned the break-up of the work plan among federal, state, local, and capital groups. He talked about the items to consider with the work plan including the transfer of funds to students who choose to stay in the Christina School District; transportation costs for students remaining in the Christina School District; and breakout data for all students impacted by redistricting (students remaining in Christina School District and those transferring to Red Clay Consolidated School District). He reviewed each section of the current draft Work Plan and then opened the floor for committee members to provide feedback. The draft Work Plan is attached.

### **State Work Plan**

D. Rich mentioned that the committee needs to make clear the costs and assumptions of the transition.

Jeff Taschner mentioned that the committee needs to take into account the employees who are impacted by the transition, and the costs of transferring staff and their salaries. He made a note that custodians and secretaries, in addition to teachers and administrators, will be transferring over to Red Clay Consolidated School District. He expressed concern that the work plan did not address the transfer of staff.

C. Kelly said that the transfer of staff is included in additional issues to discuss.

Mark Kleinschmidt asked what the magnitude of teaching and nonteaching personnel would be affected by the transition.

In response to M. Kleinschmidt's question, D. Rich said that the focus for the committee now is to collect data to perform the analysis. He said that whatever is done with the transition will be conducted in a minimally disruptive manner for both students and teachers.

Robert Silber expressed concern for how the transfer will go. He asked if certain schools will remain high schools or remain middle schools when they are redistricted.

Bill Freeborn also asked if the committee understands the population of students affected by this transition.

D. Rich clarified that the transition is about the students and their needs. He mentioned that parents may make other choices for their children and choose for their children to go to different schools even though they may still be living in the same locations.

M. Kleinschmidt said the committee should look into using the GIS system in its fiscal analysis to assess property values in relation to redistricting. He asked what will happen to property values when students transfer.

Jill Floore said that it will cost Red Clay Consolidated School District \$6 million to absorb students from Christina School District.

In response to J. Floore's comment, C. Kelly said that the committee will need to work on the local level of the work plan to address these costs. He then asked the committee if there were any additional items to consider.

J. Taschner asked what will happen to the tax rate when Christina School District properties are absorbed by Red Clay. He asked if the Christina School District property tax rate will still apply after redistricting. Alternatively, Christina School District properties go through a transitional period where their current tax rate will still apply until a referendum is passed, and then they will pay the Red Clay Consolidated School District property tax rate.

J. Pika said the tax rate discussion should be a topic for the working groups to explore after this meeting.

### **Federal Work Plan**

C. Kelly provided an overview of the federal work plan. He asked the committee if any additional items should be added.

J. Floore brought up the issue of the changing demographic of students as a result of the redistricting.

### **Capital Work Plan**

C. Kelly provided an overview of the capital work plan.

R. Silber asked about the greater configuration of redistricting including the costs of furnishings and technology.

Ted Ammann mentioned the process of deferred maintenance and that it could be a high cost or low cost. He talked about school equipment how some equipment and materials may remain in the transitioned buildings, while other items may not.

The committee then moved into a discussion about the movement of buildings. It was mentioned that the locations of existing programs may need to be moved if redistricting is approved. R. Silber mentioned that the Sarah Pyle and Douglas programs are much needed programs, and he asked what will happen to them in the transfer.

There was shared concern over the issue of funding within the logistics of moving buildings. D. Rich said that the committee needs to be clear about the assumptions surrounding the transition.

J. Floore mentioned that specialty taxes at the local level will need to be used to fund the continuation of special services needed by some students.

C. Kelly addressed the committee and said that he and IPA would like to be as precise as possible about the language for the work plan, and he welcomed committee members to offer any insight they had.

***Elements to Analyze***

J. Pika asked the committee if they had any thoughts on other ways to break up the analysis for the report. If there are additional thoughts after the meeting, committee members should provide them to C. Kelly.

***Schedule for Future Meetings***

The committee then moved into a discussion on subgroups. J. Pika acknowledged that committee members may want to be on more than one work group. He divided the committee members up into the three work groups. The committee then discussed who would be on what committee. J. Pika recommended that each work group create a list of policy issues to discuss and address in their analyses.

For future committee meetings, it was decided that there would be one meeting in December, two meetings in January, and two in February.

**J. Pika opened the floor for public comment.**

**J. Pika adjourned the meeting at 3:49pm.**

**Wilmington Education Improvement Commission  
Fiscal Impact Committee  
October 21, 2016 Meeting  
Attendance**

**Fiscal Impact Committee Members**

Joe Pika, Chair  
Mike Jackson  
Ted Ammann  
Mark Kleinschmidt  
Tammy Croce  
Elizabeth Lewis  
Karen Field Rogers

Margie Lopez-Waite  
Jill Floore  
John Marinucci  
Bill Freeborn  
Robert Silber  
Jason Hale  
Jeff Taschner

**Members of the Public**

Kristin Dwyer

**Institute for Public Administration Staff**

Dan Rich  
Chris Kelly  
Lexi West  
Kelsey Mensch  
Melissa Micek  
Lauren Barkachy