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AUGUST 2011

Excellence in North Dakota public education through local school board governance ■ VOL XXXVI ISSUE 8

NDSBA Annual Convention Keynote Speakers

NDSBA's 2011 Annual Convention keynote speakers will address issues critical to board members: quality of board members' service and dealing with the unthinkable. Board member service is an honor and a responsibility—these speakers bring their unique perspectives to both.

Friday's Keynote Speaker



Dr. David R. Landswerk's career as a distinguished teacher, principal, and superintendent has honed his ability to get a crowd laughing, but also thinking about issues that apply to their duties. He

rejuvenates and motivates to put drive back into the most "ho-hum" individuals.

His message, "Take This Job and Love It," rekindles enthusiasm by encouraging participants to do the most with talents they already possess. Landswerk turns a good chuckle into

a soul searching self-evaluation. He places all-important work issues of commitment, unique skills, and attitude into the forefront of each participant's thinking process, ultimately rejuvenating and encouraging audience members to go the extra mile in their personal and professional lives.

Dr. Landswerk served as superintendent in Owatonna and Wayzata, Minnesota, for 20 years and was twice named Minnesota Superintendent of the Year. He never lost a bond issue or levy referendum and had three secondary schools designated "National Schools of Excellence." Landswerk led the school district that first offered a Student Graduate Guarantee.

Saturday Keynote Speakers

Saturday's keynote speakers will address an issue every school district hopes to never face: "Tragedy Can Strike Anywhere: Be Prepared!"

When a high school student opened fire at Millard South High School, killing an assistant principal and eventually



Linda Poole



Dr. Keith Lutz

himself, residents in Millard, Nebraska, felt shocked and deeply saddened. The Millard School District's response helped the community come together to heal.

Presenting their unique perspective on the tragedy and events that followed will be Linda Poole, school board member; Dr. Keith Lutz, superintendent; and Amy Friedman, communications director.



Amy Friedman

Continued on page 3

IMPORTANT CONVENTION REMINDERS

Service Award Deadline

Service Award forms must be submitted by **September 16**.

Ramkota Hotel reservations (701)224-7700; fax (701)224-8212.

Convention Rooms

If you have sleeping rooms reserved at the Ramkota Hotel for the 2011 NDSBA Annual Convention, you must give them a specific name for each reserved room by **October 5** or the rooms will be released.

If a room is reserved for both Thursday and Friday nights and the guest does not arrive on Thursday, the reservation will automatically be canceled for the second night.

Convention Delegate Designations

Convention delegates and alternates must be clearly noted on the district's registration form that must be received in the NDSBA office **no later than October 14** in order to vote at Delegate Assembly. Only those registered as alternates **BY THIS DEADLINE** will be allowed to substitute for a registered delegate. There will be no exceptions.

Measure Two Eliminates Property Tax

Initiated Measure Two is a constitutional amendment that would eliminate all property tax! This measure will appear on the statewide ballot June 12, 2012. Elimination of property tax would also eliminate school districts' taxing authority and the ability to raise local funds for educational or capital needs, leaving public education entirely dependent on appropriations approved by the legislative assembly.

A constitutional amendment as drastic as Measure Two raises numerous questions and concerns for local political subdivisions that rely on property tax to provide services and also for the legislative assembly, which would be required to provide funding to replace property tax revenues.

North Dakota Century Code requires Legislative Council to coordinate the determination of estimated fiscal impacts of any initiated measure. Legislative Management is required to hold public hearings, receive public testimony, and gather information from agencies and institutions relating to the estimated fiscal impact of an initiated measure. A legislative interim Property

“We feel, with no local option to tax, education will be competing with all other obligations of the state for adequate funding, and it is important for school districts to retain a meaningful level of local control.”

Kirsten Baesler,
NDSBA Board Member

Tax Measure Review Committee has been formed and has begun meetings to accomplish this requirement. On June 22, the committee held its first meeting at which NDSBA board member Kirsten Baesler presented testimony delineating concerns of local school boards.

Baesler testified, “We are concerned that total dependence on state dollars prevents districts from addressing unique local needs. We feel, with no local option to tax, education will be competing with all other obligations of the state for adequate funding, and it is important for school districts to retain a meaningful level of local control.” She also noted that the measure does not provide a means for school districts to raise revenue for capital improvements, which are currently funded solely through local property taxes.

Other concerns and questions raised by presenters and committee members include the following:

Effective Date

The measure contains an effective date of January 1, 2012, which raises the question of whether taxes levied in 2011 and collectable in 2012 will be valid. This effective date is also a full year before the 2013 legislative session, potentially leaving school districts without state funds to replace local tax revenue for the 2011-12 and

2012-13 school years. It appears a special session would be required if the measure passes.

“In lieu of” Taxes

Significant revenue is raised “in lieu of” taxes collected from many state, federal, and private organizations. It is unclear whether these “in lieu of” taxes will also be eliminated.

Local Bonding Obligations

There must be a statewide accounting of outstanding local bonded indebtedness—secured with future local property tax revenue—and a determination of how these bonds will be secured and paid off.

Delinquent Taxes

Political subdivisions budget for collection of delinquent taxes. It is not clear if tax liabilities incurred before passage of the measure would still be collectable.

Replacing Property Tax with Other Local Revenue

Cities and counties have authority to raise local revenue through sales tax, special assessments, and fees-for-services. Since school districts have no authority to raise local funds except property taxes, they would be totally dependent on funds appropriated by the legislature.

The Interim Committee has asked Legislative Council to provide information on the above-mentioned issues at the next meeting.

Because NDSBA has consistently held the position that a balanced system of state and local taxation is the most fair and efficient way to fund public education, the Board of Directors and Governmental Affairs Committee will be discussing a potential resolution opposing Measure Two, which would then be presented to the Delegate Assembly at the Annual Convention.

bulletin

The Bulletin is the official newsletter of the North Dakota School Boards Association. It is published twelve times each year and is mailed as third class mail from New Salem, North Dakota.

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Jon Martinson; Julie Fedorchak, deputy state director for Senator Hoeven; Emily Tryon, legislative assistant in Hoeven's Washington office; and Kirsten Baesler meet to discuss federal legislation.



Property Tax Notice—New Requirements

By Cory Fong, Tax Commissioner

Now that the 2011 Legislative Session is behind us, I've been asked to discuss some of the requirements and mechanics of House Bill 1194. HB1194 imposes new property tax notice and hearing requirements for a taxing district that intends to impose a property tax levy in a greater number of mills than the "zero increase number of mills." The notice must be published in the official newspaper at least seven days before the public hearing.

HB1194 defines "zero number of mills" as the number of mills against the taxing district's current year taxable valuation, excluding consideration of new growth, which will provide the same amount of property tax revenue as the property tax levy in the prior year.

If the governing body of the taxing



district does not make a final decision on the mill levy at the hearing, the governing body shall announce the time and place of the meeting at which the board will vote

on final adoption of a property tax levy exceeding the zero increase number of mills. This applies to cities, city parks, counties, and school districts and is effective August 1, 2011. This does not apply to a taxing district that levied less than \$100,000 in property taxes for the prior year and sets a budget for the current year that requires a property tax levy of less than \$100,000.

All mill levies in the 1200 category for

counties, the 1600 category for cities, the 1700 category for city park districts, and the 2100 category for school districts should be included in "zero number of mills" calculations for the total taxing district levy. To learn more about levy limitation, see the Schedule of Levy Limitations found on the Tax Department web site: www.nd.gov/tax. Additional details explaining the increase may be published in the required notice, offered at the hearing, or provided in a handout at the taxing district's discretion.

HB1194 also sets out specific requirements relating to content, size, and visual features of the printed notice. For instance, the notice must:

- Include the date, time, and place of the public hearing.
- Include a statement that a public hearing will be held to consider increasing the property tax levy by a stated percentage, expressed as a percentage increase exceeding the zero increase number of mills.
- Include a statement that there will be an opportunity for citizens to present oral or written comments regarding the property tax levy.
- Be at least two columns wide by five inches high with at least one-half inch white space margin on all four sides.
- The heading must be capitalized in boldface type of at least 18 point stating "IMPORTANT NOTICE TO (NAME OF TAXING DISTRICT) TAXPAYERS."
- The proposed percentage increase must be printed in boldface type no less than two points less than the heading.
- The remaining portion of the ad must be printed in a typeface no less than four points less than the heading.

For more information about the new notice and hearing requirements imposed by HB1194, please contact the Office of State Tax Commissioner at (701)328-3127 (Bismarck-Mandan area) or toll-free at (877)328-7088 and select option 6.

(Editor's note: You can find a **sample hearing notice advertisement** on NDSBA's home page: www.ndsba.org under "Quick Clicks.")

KEYNOTE SPEAKERS

.....Continued from page 1

Linda Poole has served on the Millard Board of Education since 1997, including two terms as president. She carries the unique perspective of growing up within the district as a student who became a teacher and parent. She served on the Nebraska Association of School Boards Board of Directors for 11 years and was elected to all officer positions including president. She is a past member of the National School Boards Association Board of Directors.

Dr. Keith Lutz has served the Millard Public Schools since 1989 and was named superintendent in 1996. His vision for leadership is to engage staff and community in setting the future direction of schools through strategic planning to guide continual improvement efforts. Under Lutz's leadership, Millard has developed a national reputation as a world-class school district, and the community has passed two bond issues raising \$167 million to keep Millard schools vibrant for the future.

Amy Friedman has served as Millard's communications director since 1995 and has been accredited in public

relations since 1992. Her publications have won top awards from the National Public Relations Association and International Association of Business Communicators. The Millard Public Schools Foundation named her 1999 Administrator of the Year and the YWCA honored her as a 2000 Woman of Vision.

This keynote presentation addresses actual events—which can occur anywhere at anytime—experienced by real people in the same positions as those in our audience.

Pre-register and Join Us

Mark your calendar for October 28-29 and join us at the Ramkota Hotel in Bismarck for the 2011 NDSBA Annual Convention. By sending in the early registration form (which will be arriving at your school in early September), you can take advantage of the lower registration fee and ensure receipt of printed material when checking in as a pre-registered participant. Be sure your board designates delegates and alternates on the registration form.

We look forward to seeing you at the convention!

Members of the business managers board of directors meet at the NDSBA office.



Congress Addresses Cost of New Child Nutrition Guidelines

Grassroots efforts by local school boards across the country resulted in favorable intent language in federal H.R. 2112—the FY2012 Agriculture Appropriations bill recently passed by the U.S. House of Representatives. For months schools have expressed concerns about new nutrition requirements for the School Lunch and School Breakfast Programs.

Language contained in a committee report attached to the Agriculture Department budget bill acknowledges the impact of additional costs to local schools. While the report language is not binding, it sends a powerful message regarding congressional intent to the Agriculture Department as it implements the child nutrition reauthorization.

Report language says, “New Nutrition Requirements for the School Lunch and School Breakfast Programs:

The Committee notes that Food Nutrition Services (FNS) has responded to actions required by the Healthy, Hunger-Free Kids Act of 2010. The Committee urges restraint and practical timelines for implementing new national nutrition standards in the school breakfast and lunch programs. As many of the representatives in states and local school districts have cautioned, an overly aggressive implementation schedule and unrealistic demands on changes in nutrient content can lead to burdensome costs, estimated to be about \$7 billion over five years. Therefore, the Committee directs FNS to issue a new proposed rule that would not require an increase in the cost of providing school meals.”

This congressional action is evidence that persistent advocacy by local districts, state associations, and NSBA can make a difference!



mark your calendar

2011 NDSBA Annual Convention

PRE-CONVENTION
NDSBA New Member Seminar
NDCSA School Law Seminar
Thursday, October 27, 2011
Ramkota Hotel, Bismarck

ANNUAL CONVENTION
October 28 & 29, 2011
Ramkota Hotel, Bismarck

2012 NSBA Annual Conference

April 21-23, 2012
Boston, Massachusetts

2012 NDSBA Annual Convention

PRE-CONVENTION
NDSBA New Member Seminar
NDCSA School Law Seminar
Thursday, October 25, 2012
Ramkota Hotel, Bismarck

ANNUAL CONVENTION
October 26-27, 2012
Ramkota Hotel, Bismarck



superintendent
vacancies

Fort Totten School District

(Grades 9-12)
Contact: Anita Black, BsMgr.
(701)766-1438
Deadline: Open