

RECORD OF PROCEEDINGS

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX

Littleton, Colorado BOARD OF EDUCATION Minutes of Regular Meeting

February 11, 2010

Call to Order

Vice-President Renée Howell called the meeting to order at 6:35 p.m. in the Boardroom of the Education Services Center, 5776 South Crocker Street.

Present

Renée Howell, Vice President
Sue Chandler, Secretary
Mary Nichols, Assistant Secretary
Lucie Stanish, Treasurer

Absent

Bob Colwell, President

Others in Attendance

Connie Bouwman, Assistant Superintendent of Learning Services
Lucinda Hundley, Assistant Superintendent of Student Support Services
Kirk Madsen, Assistant Superintendent of Operations
Scott Murphy, Superintendent
Mike Owens, Assistant Superintendent of Human Resources

Approval of Minutes

Ms. Howell asked if there were any corrections to the minutes of the January 28, 2010, regular Board meeting. On page 4, Ms. Chandler corrected the third sentence in the fifth paragraph to read, "Ms. Chandler commented that *another outcome the district had hoped to achieve by offering the IB program at Newton was increased enrollment*, but that has not occurred so far."

MOTION: Ms. Nichols moved that the Board of Education approve the minutes of the January 28, 2010, regular Board meeting as corrected. SECOND: Ms. Chandler. AYE: Chandler, Howell, Nichols, Stanish. MOTION CARRIED: 4-0.

Superintendent's Report

Mr. Murphy expressed congratulations to Mimi Leonard who was named the Outstanding Administrator of the Year by the Colorado Association of Teachers of Family and Consumer Science. He also congratulated Arapahoe High School senior Dylan Leary and Heritage High School senior Mitch Griebel who have received appointments to the US Air Force Academy. Mr. Murphy said that Arapahoe senior Tom Roberts was selected as a candidate for the Presidential Scholars Program, and Heritage senior Kim Lockridge was named student athlete of the week by the *Denver Post*.

Mr. Murphy announced that students from Centennial Academy and Goddard Middle School worked together to raise more than \$1,400 for the Road to Hope, a Littleton organization that supports orphanages in Haiti.

RECORD OF PROCEEDINGS

Mr. Murphy commented on the recent newspaper articles that outline the budget deficits other metro school districts are facing. He said districts will likely face reductions of eight to twelve percent.

Board Reports/Requests

Ms. Stanish attended the ESC chili cook-off, and was one of the judges. She attended the Littleton Association of School Executives (LASE) social. Ms. Stanish attended the PTO Presidents Council (PPC) meeting for Mr. Colwell. She noted there are many good things happening in LPS schools.

Ms. Nichols attended the Colorado School Finance Project meeting. She also attended the Colorado Association of School Boards (CASB) legislative resolutions committee meeting and sent information to Board members concerning CASB's position on various bills from the current legislative session. She attended the Heritage practical arts breakfast, which was supported through a partnership with Arapahoe Credit Union. Ms. Nichols attended National Signing Day at Littleton and Arapahoe high schools, and was a judge at the ESC chili cook-off. She attended the Gifted and Talented Advisory Council meeting, the Wellness Committee meeting for Ms. Chandler, and the district spelling bee.

Ms. Chandler joined via her home computer with AHS language arts students in the online conversation with author Cory Doctorow.

Ms. Howell attended the Science, Technology, Engineering, and Math Education Coalition (STEM-EC) meeting, the South Metro Denver Legislative Action Committee meeting, and the CASB legislative monitoring group meeting. She attended the legislative update held at the ESC earlier today. Ms. Howell also attended the LHS National Signing Day.

Citizens' Requests to Speak to the Board

Courtney Cissell, seventh grade student at Euclid Middle School spoke about the efforts several students are making to raise funds to save the Advancement Via Individual Determination (AVID) program at Euclid.

Taylor Carleton, seventh grade student at Euclid also spoke on behalf of the effort to save the AVID program.

Sarah Kach, seventh grade student at Euclid said she supports the proposal to save the AVID program.

Viridiana A. Mendias, seventh grade student at Euclid said that although she is not currently part of the AVID program, she supports the efforts to keep it and hopes to participate next year.

Action

Consent Agenda

Ms. Howell asked if there were items that needed further discussion. Mr. Mike Owens, assistant superintendent of human resources, said that two teachers and two administrators will retire at the end of the current school year. He thanked these staff members for their many years of service.

RECORD OF PROCEEDINGS

MOTION: Ms. Stanish moved that the Board of Education approve the recommended consent agenda numbered 1.1 concerning Personnel Recommendations with the additions made this evening. SECOND: Ms. Chandler. AYE: Chandler, Howell, Nichols, Stanish. MOTION CARRIED: 4-0.

Quarterly Financial Report

Mr. Scott Myers, chief financial officer, presented the second quarterly financial report for the three months ending December 31, 2009. Mr. Myers explained that the report is an overview of all district funds. He highlighted various aspects of the general fund balance sheet, including a comparison of district assets, liabilities, and equity in December 2009 and the same period in 2008. Mr. Myers noted that the interest-free loan from the state of \$4,601,077 is shown as a liability, and the fiscal emergency contingency reserve of \$1,018,364 is shown as a fund equity. He explained that this will be refunded back to the state in June 2010. Mr. Myers commented that December is typically the weakest month of the year, and 2009 was weaker than 2008.

Mr. Myers reviewed the general fund statement of operations and changes in fund balance, which also compare 2009 to the same period in 2008. He noted that on a percentage basis, revenue and expenditure rates are similar to last year.

Ms. Howell asked about property tax collection rates, and Mr. Myers responded that on a percentage basis, property taxes collections are at typical levels. He noted that there is a decline in revenue from specific ownership taxes as well as interest earnings. Ms. Nichols asked when the district will pay back the interest-free loan from the state, and Mr. Myers responded that it will be paid in March. Mr. Murphy commented that the state loan program is necessary for school districts, including LPS, because of the lack of reserves.

Ms. Nichols asked about the extended day care program fund, noting the net loss on the balance sheet. Mr. Myers said the district monitors these programs by school and several are having some difficulties. However, overall by the end of the school year the fund will break even. Mr. Murphy said that with the economic downturn, administration will need to continue close monitoring of these programs. Ms. Stanish asked if these funds carry over from year to year, and Mr. Myers said they do, and the fund has reserves. Ms. Chandler asked how revenue in this fund can be used. Ms. Donna Holstlaw, director of finance and risk management, responded that because these are enterprise programs, the revenue generated must stay with the program.

Ms. Chandler asked if revenue generated from gate receipts in the student athletic and activities fund is similar to other districts. Mr. Myers responded that this revenue stream is similar to other districts and the amount collected varies from year to year. He explained that schools use this revenue for various expenses related to athletics, and some of the revenue is used to support district expenses related to athletics. Mr. Myers commented that the district may need to review athletic fees and expenses at some future time.

Ms. Howell asked about net loss on the food services fund balance sheet. Mr. Myers said this is a result of a capital project to improve the high school cafeteria facilities and represents a one-time expense.

RECORD OF PROCEEDINGS

Ms. Howell thanked Mr. Myers and the finance office staff for their work.

MOTION: Ms. Stanish moved that the Board of Education accept the Quarterly Financial Report for the three months ending December 31, 2009. SECOND:

Ms. Nichols. AYE: Chandler, Howell, Nichols, Stanish. MOTION CARRIED: 4-0.

Discussion

2010-2011 Budget Update

Mr. Myers reviewed three recent proposals for School Finance Act (SFA) funding for 2010-2011. In November, the Governor proposed SFA funding with a decrease of 6.12 percent. In January, the Joint Budget Committee (JBC) recommendation reduced SFA funding by 7.6 percent, and the Legislative Council's February recommendation maintained a similar reduction. Mr. Myers explained that the Governor's revised 2010-2011 budget plan to address an additional shortfall will be presented during the week of February 15, and noted that the December forecast showed revenues were approximately \$170 million lower than the September forecast. He anticipates that the March economic forecast will likely be worse and the reduction to SFA funding could reach 8.5 to 9.5 percent. Mr. Myers also stated that the State Education Fund is insolvent in 2010-2011. Mr. Myers said that the federal government is considering an extension of the enhanced Medicaid match, which would provide an additional \$200 million to the state's budget.

Mr. Myers provided information about several current House bills that could have a positive impact on the state's budget, noting that they have been approved by the House and are on third reading in the Senate. He said in total the bills would add \$140.7 million in revenue to the state, and if they are not passed, further cuts to K-12 funding will likely occur.

Mr. Myers said that Senate Bill 10-65, 2009-2010 Supplemental Appropriation to the Department of Education, was signed by the Governor on January 28, 2010. This bill authorizes a \$130 million rescission to school districts. In LPS, this includes the \$2,045,321 fiscal emergency contingency reserve SFA funding, which will be collected by the state in the form of a reduction in the June payment. It also includes \$370,967, the LPS portion of the rescission for increased state-wide pupil counts and at-risk students, plus \$32,180 additional rescission in school finance payments. Administration is developing plans to handle this rescission plus other possible rescissions to 2009-2010 funding that may occur.

Mr. Myers mentioned 2010 ballot issues, which include Amendments 60 and 61, and Proposition 101, noting that all three would have a significant, state-wide impact on the state's budget and state services.

Ms. Howell asked if funding from the competitive Race to the Top grant can be used to backfill general fund deficits, and Mr. Murphy responded that these funds have very restrictive uses. He added that the first round of awards will be March 28, and states will be advised if they received first-round funding.

Ms. Howell thanked Mr. Myers for the budget update.

RECORD OF PROCEEDINGS

Student Achievement: District Accreditation Update

Ms. Connie Bouwman, assistant superintendent of learning services, reviewed the purposes of the state Accountability Alignment Act of 2009 and provided an overview of the performance indicators it established. The primary purposes of this Act are: 1) align conflicting accountability systems in Colorado; 2) modernize and align reporting systems; 3) create a fair and effective cycle of support and intervention; and 4) enhance state, district, and school oversight of improvement efforts. The performance elements in the new model are: student academic growth, student achievement levels, extent of achievement gaps in subgroups related to income and ethnicity, and postsecondary readiness. Ms. Bouwman explained that the Act contains provisions for support to districts from CDE and requires CDE to assign an accreditation category to each school district. Districts will assign accreditation categories to their schools.

Ms. Bouwman reviewed the six categories of accreditation, which range from accredited with distinction to unaccredited. She noted LPS received the highest rating, accredited with distinction and noted only two other Front Range districts received a similar rating. Ms. Bouwman explained the rating system, noting that in order to be accredited with distinction, a district must earn at least 75 percent of the total accreditation points possible on the three performance elements; LPS earned 77.3 percent. Ms. Bouwman said districts are waiting for the State Board of Education to develop rules that will guide them in assigning an accreditation category for schools within the district.

Ms. Patti Turner, assessment coordinator, explained the points system and rubrics for each of the three performance elements and reviewed the points earned by LPS, noting where gaps exist.

Ms. Nichols asked why the subgroups of socio-economic and ethnicity were selected to use as accreditation indicators. Ms. Bouwman commented that she was surprised that only two subgroups were included. Ms. Turner will investigate and report back to the Board.

Ms. Chandler asked about the writing growth data for middle school students, and Ms. Turner said administration is still analyzing these data. Ms. Chandler questioned whether the CSAP writing topics motivate middle school students to do their best. Ms. Bouwman responded that the CSAP tests are not available for review, so the writing topics are not known.

Mr. Murphy remarked that the district's accreditation ranking is an excellent marketing tool. Ms. Howell said it is cause for celebration, and thanked administration for the excellent work.

Report

Fuel and Utility Cost Analysis Report

Mr. Kirk Madsen, assistant superintendent of operations, stated that the district has made significant strides in managing fuel and utility consumption. He said that electrical consumption and demand has increased by 19 percent during the past three years. Mr. Madsen attributed much of this increase to new technology, such as security systems, as well as computers and other instructional technology,

RECORD OF PROCEEDINGS

throughout the district. He said the district continues to seek greater efficiencies in this area. Mr. Madsen also noted that fuel costs are variable, and natural gas is purchased annually through a consortium, which helps contain these costs.

Ms. Stanish asked if any utility costs will be reduced as a result of closing two schools in June 2009. Mr. Madsen responded that it is not likely that a savings will be realized, explaining that the greatest utility cost is electricity. Because these buildings are in use regularly electrical usage will not drop significantly.

Ms. Chandler asked if the state has done any school energy audits in LPS, and Mr. Madsen responded that some buildings have had an energy audit, but no reports have been provided to the district.

Ms. Nichols thanked Mr. Madsen and his staff for the thorough report and careful monitoring of the district's fuel and utility costs. She asked for clarification about the historical and projected costs of fuel and utilities. Mr. Madsen explained that the graph shows a constant budget for fuel and utilities for the next four years, and this budget amount will cover projected costs for the next two years only, assuming no dramatic changes in the world economy.

Ms. Howell commented about the age of the district's irrigation systems and asked how these systems are being maintained. Mr. Madsen said the district is still repairing these outdated systems as needed, but at some point capital reserve funds may be needed to make improvements.

Ms. Howell thanked Mr. Madsen and his staff for the excellent report and the work they are doing throughout the district.

Future Agenda/Adjournment

Mr. Murphy distributed a draft agenda for the February 25, 2010, Board meeting. Action items include Capital Reserve Fund Facility Projects and Fiscal Year 2009–2010 General Fund Title I and Title II-A U.S. Department of Education Supplemental Budget Appropriation. Discussion items include 2010–2011 Budget Update.

MOTION: Ms. Nichols moved that the Board of Education meeting adjourn.

SECOND: Ms. Stanish. AYE: Chandler, Howell, Nichols, Stanish.

MOTION CARRIED: 4-0.

The meeting adjourned at 8:30 p.m.

Respectfully submitted,

Renée Howell
Vice President

Sue Chandler
Secretary

ks (3/3/10)