

RECORD OF PROCEEDINGS

ARAPAHOE COUNTY SCHOOL DISTRICT NUMBER SIX

Littleton, Colorado BOARD OF EDUCATION Minutes of Special Meeting

July 14, 2009

Call to Order

President Bob Colwell called the meeting to order at 8:00 a.m. in the Boardroom of the Education Services Center, 5776 South Crocker Street.

Present

Bob Colwell, President
Sue Chandler, Secretary
Lucie Stanish, Treasurer
Mary Nichols, Assistant Secretary

Absent

Renée Howell, Vice President

Others in Attendance

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

Absent

Kirk Madsen, Assistant Superintendent of Operations

Action

Consent Agenda

Mr. Colwell asked if there was any additional information about personnel recommendations on the consent agenda. Mr. Mike Owens, assistant superintendent of human resources said that administration is recommending two new assistant principals at Littleton High School. Finalist interviews are taking place at Goddard Middle School for an assistant principal, and the assistant principal position at Powell Middle School is posted. Mr. Owens said that administration is recommending David Patten as the coordinator for English Language Acquisition. Ms. Lucinda Hundley, assistant superintendent of student support services, introduced Mr. Patten, noting his experience.

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

Mr. Patten expressed his appreciation for the warm welcome he had received in LPS. Mr. Colwell welcomed him to the district on behalf of the Board.

RECORD OF PROCEEDINGS

Participation in the State Treasurer's Interest-Free Loan Program for 2009–2010

Mr. Scott Myers, chief financial officer, explained that administration seeks approval to participate in Colorado's interest-free loan program during 2009–2010. The low level of property tax collections until the last quarter of the fiscal year, the possible rescission in 2009–2010 due to the state's financial crisis, and pending contract negotiations with the Littleton Education Association create a cash-flow problem that necessitates this short-term borrowing. Mr. Myers reviewed the cash flow analysis worksheet that must be submitted to the state, noting it includes the general fund, capital reserve fund, risk management fund, food services, and extended day fund. Excluded funds are: the designated purpose grant fund, bond redemption fund, and student activities. The TABOR reserve and the state-wide fiscal emergency reserve are also excluded from the worksheet.

Mr. Myers explained that loans should be no more than 40 percent of the amount of property tax collections for the months April through June. The district's projected cash flow shortage of \$13.9 million is approximately 30 percent of tax collections. He noted that the loan must be repaid by June 25, 2010. Mr. Myers recommended that the Board authorize the district to participate in the state interest-free loan program to borrow an amount not to exceed \$16 million during the 2009–2010 fiscal year.

Ms. Stanish asked if there was any concern that the state might not have the funds to lend to school districts. Mr. Myers responded that this is not a concern as the funding for these loans is essentially a guaranteed revenue stream. Ms. Stanish asked how LPS compares to other districts in terms of the need for short-term borrowing. Mr. Myers responded that there are metro area districts that are borrowing large sums of money through this program, and many districts do not participate in the program. Mr. Murphy commented that Cherry Creek and Denver school districts borrow heavily from the interest-free loan program because they rely heavily on property tax revenues.

Ms. Chandler asked how many times the district has used the interest-free loan program. Mr. Myers responded that LPS borrowed in 2004 and 2005. Mr. Murphy said there was some borrowing done during the 1990s.

Mr. Colwell asked if the loan must be repaid on a specific schedule, and Mr. Myers responded that he will inquire as to the repayment requirements. The full amount of the loan will be repaid by June 25, 2010.

MOTION: Ms. Stanish moved that the Board of Education approve the resolution for an interest-free loan program and amounts available to borrow per statutory guideline CRS 22-54-110, in an amount not to exceed \$16 million. SECOND: Ms. Nichols. AYE: Chandler, Colwell, Nichols, Stanish. MOTION CARRIED: 4-0.

RECORD OF PROCEEDINGS

Discussion

Collective Bargaining Agreement with Littleton Education Association (LEA) for 2009–2012

Mr. Owens stated that a tentative agreement has been reached between the district and the Littleton Education Association (LEA) that includes employee benefits, compensation, and changes to some language items. Mr. Owens commented that he is pleased to be presenting this tentative agreement that reflects the hard work and collaboration between LEA and the district. The three-year agreement that covers the period August 1, 2009 through July 31, 2012, must be ratified by LEA members and must receive Board approval. Action is scheduled for the August 13 Board meeting.

Mr. Owens described changes in the new agreement, which include a .25 percent increase in each increment of the longevity steps. No cost of living adjustment is made to the base. Beginning with the 2009–2010 school year and thereafter, teacher pay for the new school year will begin in August. In August 2009, teachers currently employed by the district who are continuing their employment will receive two salary checks. This does not change compensation nor does it create an additional cost to the district.

Mr. Owens explained that the provision on salary credit for committee work will now include the student intervention team. Another language change involves use of sick leave. The district will provide teachers with a total of 12 days of sick leave and three of those days may be used as personal leave with no more than two days of personal leave taken consecutively. Mr. Owens stated that the number of days remains the same; only the language has changed.

Mr. Owens said that the negotiating teams will finalize specific areas of contract language to reflect the agreements. He also noted that financial items in the agreement are for one year, which is the same as past practice.

Mr. Colwell remarked that the second salary check being paid to teachers in August contributed to the district's cash flow problem in an amount of \$7 million.

Mr. Colwell asked if the checks would be dispersed at the same time, and Mr. Owens said they would not, citing the additional burden on staff to prepare two salary checks. The final check for the 2008–2009 school year will be issued on August 14 and the first check for the 2009–2010 school year will be issued on August 20.

Ms. Stanish said she appreciates LEA's recognition of the district's difficult financial condition.

This item will return for action on August 13, 2009.

Employee Compensation and Benefits for 2009–2010

Mr. Owens stated that the tentative agreement reached with LEA provides the basis for comparable salary increases and benefit options for classified employees and district administrators for 2009–2010. Mr. Owens explained that the 2008–2009 salary schedule will remain in place for 2009–2010 without changes. Eligible classified employees will receive an increment step. Health insurance benefits were previously approved by the Board. A salary adjustment equal to the average increase in compensation changes for teachers and classified employees will be given to

RECORD OF PROCEEDINGS

administrators, which equates to 2.5 percent. Mr. Owens further explained that this is an average and not all teachers receive a 2.5 percent salary adjustment.

Mr. Colwell thanked Mr. Owens and Mr. Stan Damas, Chief Negotiator, for their work. Mr. Owens expressed thanks to the Board and both negotiating teams.

Mr. Murphy commented that all staff members involved in negotiations had worked hard. He thanked the Board for its leadership and attention to its fiscal responsibility to keep the district financially stable.

This item will return for action on August 13, 2009.

Future Agenda/Adjournment

Mr. Murphy stated that the Board will receive information on financial projections by way of simulations that will show how different variables could affect the district's financial outlook and will be asked to provide direction to administration.

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

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

MOTION CARRIED: 4-0.

The meeting adjourned at 8:40 a.m.

Respectfully submitted,

Bob Colwell
President

Sue Chandler
Secretary

ks (8/18/09)