

Colorado Springs School District 11
Superintendent Dr. Michael J. Thomas
Division of Business Services
Deputy Superintendent/CFO Glenn E. Gustafson, CPA
Director of Financial Services Laura Hronik, MBA

DAC Budget Subcommittee

Web page: [District Accountability Committee \(DAC\)](#)
Chairman Jan Rennie

Meeting Notes

April 9, 2019

6:00 p.m.

Administration Building Board Room

Members present: Sally Sue Coddington, Bruce Cole, Donna Ecks, Clara Hoellerbauer, Tom Hunt, Trish Nixon, Sandra Park, Kim Polomka, Jan Rennie, Michael Reyes, and Carl Schueler

Members absent: Lara Crowell, Pete Lee, Bob Null, Toni Seberger and Elisa Villarruel

Ex-officio members present: Glenn Gustafson, Laura Hronik, and Becky Moore

Guests: Board of Education Treasurer Ms. Julie Ott, Board of Education Director Ms. Nora Brown, and DAC Chairman Dr. Parth Melpakam

Chairman Rennie brought the meeting to order at 6:00 p.m. Ms. Rennie asked for a scheduling change to the agenda, moving item three to item two. The agenda and change were approved.

The meeting commenced with a review of the updated preliminary budget development assumptions (PBDA) spreadsheet. Mr. Gustafson reminded the subcommittee of the surprising decline in enrollment this year and the anticipated large decline for next year, the reasons budget modification requests were still recommended for consideration, the budget balancer exercise, both board of education work sessions, and on-going employee negotiations that affect the PBDA. Several of these efforts have already been discussed by the subcommittee. He also spoke about the new direction that negotiations are taking this year and that District 11 is moving forward with re-inventing itself with strong academic programs and better facilities. The School Finance Act is still not available but the full day kindergarten bill, which is separate from the School Finance Act, looks to pass upon vote and the governor will sign. This would free up approximately \$2.4 million in mill levy override funds. The mill levy override funds could go through the plan amendment process to redirect them elsewhere, probably to ease staffing reductions.

A recap of the time line for the budget adoption by the Board of Education was reviewed. The PBDA will go action on April 10, staffing will be pulled on April 11, the Board receives the proposed budget document before May 31, to deliberate as non-action on May 29, work session on June 5 and budget adoption on June 12. The subcommittee's report will be given and discussed with the Board at the June 5, 2019 work session.

Mr. Gustafson pointed out an additional budget modification request that came in at the last minute for an increase in the utilities budget. It was noted that the item on the PBDA spreadsheet was in the non-recurring column and should be in the recurring column. An updated PBDA spreadsheet would be forthcoming through email. Continuing with the remaining items on the PBDA spreadsheet, Mr. Gustafson addressed each item from number 24 through number 47.

Items of note in the discussion of the PBDA included:

- Staffing reductions
 - Most reductions are through attrition
 - 100-150 teachers leave or retire from the District each year
- Retirement plans are being developed for staff who may need help with retirement
- Bid-Day process for ESP losing their jobs, especially library technology technicians (LTTs)
- Executive/professionals to lose jobs, no Bid-Day process
- No formalized process for new hires
- Hard to fill positions
- Staffing freeze asked for last fall but was not implemented

- Program reductions are not on the list
 - To be researched for the June budget recommendations
 - ST Math and AVID
- Health center project at General William Mitchell High School
 - Lead on a grant to help fund
 - A grant could affect Taxpayers Bill of Rights (TABOR)
 - Federal grants do not count towards TABOR
 - State and local grants do count towards TABOR
 - Gifts do not count towards TABOR
- Board discussions of de-TABOR-ing the District (one of the four districts state-wide still under TABOR)
- District 11 could top its TABOR cap next year
- Before and After school programs at Mark Twain and James Monroe Elementary Schools
- Centralized student registration instead of school-based, to include charter schools
- School consolidations and new builds and/or rebuilds

Ms. Rennie moved the subcommittee on to a debrief of the March 21, 2019 work session that included the subcommittee's PBDA and budget modification request recommendations.

Also discussed during this time was the administration's proposed closure of the District's night school and the possible provisions made for these students. More debate around the reduction of and restructuring of the LTTs took place. Concern was high regarding more technology implemented in the schools and technology support being reduced. The subcommittee also conversed about the pros and cons of student-led help desks.

Follow-up review of the 2017-18 base budget and mid-year budget modifications was briefly introduced. The subcommittee was asked to review and submit any concerns or questions for response.

The meeting notes from both February 26 and March 12 were next for approval. Mr. Reyes entered a motion for approval, Mr. Hunt seconded and the notes were approved. Dr. Melpakam spoke to the subcommittee regarding DAC activity. The final SAC training has taken place with good attendance. March included discussion of the strategic plan and the Achieve program for turn-around schools. April's meeting will include presentation from Human Resources regarding staffing formulas and Mr. Gustafson will update the DAC on the budget.

Topics for the next meeting will include year-end wrap, 2019-2020 subcommittee charges, and crafting the year-end report to the Board of Education.

The meeting adjourned at 7:30 p.m.

Next Meeting: Tuesday, April 23, 2019 at 6:00 p.m. in the administration building boardroom.