



## Poudre School District Board of Education

2407 Laporte Avenue, Fort Collins, CO 80521 • 970-490-3607

### Meeting Minutes

Minutes from Board of Education Business/Work Session Meeting  
January 23, 2018

#### **DINNER SESSION - 5:30 PM**

PRESENT: President Christophe Febvre and Vice President Susan Gutowsky; Directors Kristen Draper, Cathy Kipp and Rob Petterson; Superintendent Sandra Smyser, Assistant Superintendents Jinger Haberer, Todd Lambert and Scott Nielsen; Executive Directors Pete Hall, Dave Montoya, Dustin Reintsma, and Victoria Thompson; Legal and Policy Counsel Tom Crabb

ABSENT: Executive Director Danielle Clark

LATE: Directors Carolyn Reed and Nate Donovan

Dinner Session began at 5:30 p.m.

#### **1.0 EXECUTIVE SESSION**

Director Petterson moved that the Board go into executive session as authorized under C.R.S. §§ 24-6-402(4)(b) & (e) for the purpose of receiving legal advice on issues concerning land development and IGAs with municipalities within the District's geographic boundaries; and to determine positions relative to matters that may be subject to negotiations concerning those issues, to develop strategy for those negotiations and to instruct the negotiators. Individuals invited to join the Board and Superintendent in executive session are legal and Policy Counsel Crabb, Executive Directors Montoya and Hall, Planning Manager Willits, and Board Secretary Oppenheimer.

Director Draper seconded the motion.

The voting was as follows:

Those voting AYE: Directors Draper, Febvre, Gutowsky, Kipp, and Petterson

Those voting NO: None

ABSENT: Directors Reed and Donovan

Motion passed 5-0.

The executive session began at 5:33 p.m.

The executive session ended at 6:18 p.m.

## **2.0 DISTRICT INFORMATION AND BOARD DISCUSSION TOPICS**

Director Brendan Willits was asked to provide an update on a potential subdivision near the Mountain Vista site. The development is called Montava. Max Moss is the developer. The development would have 2,500 single family and 2,500 multi-family developments. The developer is interested in a land swap. The District has been discussing what that would look like. City is in support of the development. PSD is involved to make sure interests are being addressed.

Superintendent Smyser has decided to wait on a decision regarding pursuing Medicaid reimbursement until there is less federal uncertainty and more information is available from the federal level. Currently considering not participating for another year. The application is ready to submit. The concern is not knowing the options available. There are too many moving parts. The Board would like to know what parameters need to be in place for the Superintendent to direct the District to apply, would like to see the application timeline, and what the year-one investment would be.

The Medicaid discussion will be brought back at the next dinner session.

## **3.0 AGENDA PLANNING**

Retreat planning will be considered during agenda setting. Directors were encouraged to contact President Febvre with requests.

## **4.0 COMMITTEE REPORTS**

There was no discussion on committee reports.

Director Donovan indicated that he had questions related to the agricultural land leases and indicated he may suggest pulling the item during the business meeting. Director Petterson stated he had some questions related to the Mountain Sage item as well.

The dinner session ended at 6:29 p.m.

## **REGULAR BUSINESS MEETING - (BOARDROOM) – 6:30 PM**

PRESENT: President Christophe Febvre and Vice President Susan Gutowsky; Directors Nate Donovan, Kristen Draper, Cathy Kipp, Rob Petterson, and Carolyn Reed; Superintendent Sandra

Smyser, Assistant Superintendents Jinger Haberer, Todd Lambert and Scott Nielsen; Executive Directors Pete Hall, Dave Montoya, Dustin Reintsma, and Victoria Thompson; Legal and Policy Counsel Tom Crabb

ABSENT: Executive Director Danielle Clark

## **1.0 CALL TO ORDER**

President Febvre called the regular business meeting to order at 6:36 p.m.

## **2.0 APPROVAL OF AGENDA**

There were no recommended changes to the agenda.

## **3.0 COMMUNITY COMMENT**

Eric Sutherland: The SB25 number on his County property tax notice, according to statute, is wrong. The state used to provide legal advice to school Districts. The language of the law is plain and simple.

## **4.0 CONSENT AGENDA**

- 4.1 Personnel Action**
- 4.2 MSCS Charter Renewal Application**
- 4.3 Agricultural Land Leases**
- 4.4 Quarterly Financials 12/31/2017**

Director Reed suggested that item 4.3 on the consent agenda, be moved to action item 5.2.

Director Donovan moved to adopt and approve the remaining items on the consent agenda.

Director Gutowsky seconded the motion.

The voting was as follows:

Those voting AYE: Directors Donovan, Draper, Febvre, Gutowsky, Kipp, Petterson, and Reed

Those voting NO: None

ABSENT: None

Motion passed 7-0.

## 5.0 ACTION ITEMS

### 5.1 Revised Budget for the 2017-18 Fiscal Year

Executive Director Montoya reviewed information included in the agenda packet regarding the 2017-18 fiscal year revised budget. Not much changed in the revised budget. There is updated revenue information. The District took a conservative approach on the growth number from last year.

Major adjustments in the budget include:

- Growth. The pupil count came in approximately 202 pupils above what was originally budgeted.
- Compensation increased due to negotiated mid-year pay increases after seeing student count numbers. This will be done as a one-time payment to salaries.
- Increases in sight-based budgets. More revenue is coming in related to increase in participation in concurrent enrollment. Does not impact operations, simply keeping budgets in line with the expected outcome.
- Charter school expenditures have dropped significantly due to a drop in the number of funded pupils; particularly at Ridgeview. They have adequate Reserves to handle this drop. The District reached out to Ridgeview to make sure they were aware.

Last year, Reserves was the main priority for budgets. The District conducted carryover sweeps, reduced the Board reserve to 1%, and 2016 mill levy override helped restoration of Reserves and bring PSD back to an adequate level. Reserves have moved from 1.6% last year to 3.7% projected at this time. The hope is to improve upon that number.

The revised budget is in good shape especially considering how dismal it was last year. In the short term we are anticipating some additional revenue flows. The long-term outlook is not as positive.

Positives include; inflation rates are in the low 3% range, anticipate student growth, budgeting for growth but need to be cautious of TABOR, and the Governor's revised proposal has been revised from \$70 million buydown of the negative factor to \$100 million.

Board discussion included:

Director Petterson asked how the inflation number may be adjusted after negotiations as it relates to the rest of the budget. We have not been factoring in escalation in inflation numbers in the past because there has been excess carryover

in the system to cover it. We were artificially managing that in a different way. Now we will have to start keeping up with inflation due to lack of carryover.

Director Donovan moved to adopt the 2017-18 fiscal year revised budget resolution as presented in the Board packet.

Director Petterson seconded the motion.

The voting was as follows:

Those voting AYE: Directors Donovan, Draper, Febvre, Gutowsky, Kipp, Petterson, and Reed

Those voting NO: None

ABSENT: None

Motion passed 7-0.

## **5.2 Agricultural Land Leases**

Two of the leases are actively farmed and one is used only for grazing, which leads to different leases. The leases are for the Cherry Heights site, the County Road 5 and Prospect site, and the Mountain Vista site. These properties have been leased for a long time. There was no bidding when they entered into the original leases. PSD acted in the best interest of both the District and the farmers. The agreements were three and five year agreements to maintain and watch over the properties. The current leases will now be single year agreements.

Development during the term of the lease is covered in the agreement. Additional language was added to the leases to address this after the Board expressed this concern.

Director Donovan moved for approval of the agricultural land leases as presented in the Board packet.

Director Draper seconded the motion.

The voting was as follows:

Those voting AYE: Directors, Donovan, Draper, Febvre, Gutowsky, Kipp, Petterson, and Reed.

Those voting NO: None

ABSENT: None

Motion passed 7-0.

## **7.0 WORK SESSION TOPICS**

## **6.1 District Budget Priorities**

Executive Director Montoya reviewed the materials submitted in the meeting agenda packet. The District is working to bring a balanced budget to the Board in May for adoption in June.

The District Accountability Committee has made recommendations for budget priorities based on what they are seeing in the schools.

There are unique characteristics in the next budget cycle. There may be potential non-typical money flowing into the District in the coming year.

The District has done extensive modeling around the state formula. The improved model shows budget outcomes and impacts in real-time using different scenarios. Key drivers/assumptions are inflation, student growth, and Negative Factor.

### Revenue Picture/Assumptions:

- Staying under the mills given to the voting public
- Other revenues are increased based on inflation
- Federal grants: There is a lot of concern at the federal level about Title II
- Cannot spend payment in lieu of land so the money is set aside in reserve
- Charter schools: Use normal funding but will see an increase, assuming Compass will open next year
- Compensation: Will be determined in employee negotiations
- Cost of Living Adjustments (COLA) are not predicted because of negotiations
- Inflationary increases: Site-based budgets and capital projects, utilities, and risk management
- Charter schools: Increase is shown due to Compass opening next school year
- Charter Mill Levy sharing: Currently sharing about \$1.3 million. Could be sharing about \$3.3 million in 2019 after legislation. This is an increase in expenditures and a decrease in revenue.
- PERA: Projecting \$3.3 million in employer share based on PERA Board proposal. Will not phase-in in the next budget cycle, but the in the cycle after that. Impact is unknown until legislation is passed. In several years, employees could see a reduction in pay (gross/net and increases in employee contributions).

### Critical Factors (non-typical revenue):

- PERA and Negative Factor buy down: Held for one-time needs, then used to offset ongoing PERA increases
- 2016 mill levy override: Intended to staff and get our school buildings ready once they are built. This money will be critical. Can explore using these

funds for one-time costs if it is legal to do so. Would like to set it aside and save it to ensure it is available for upcoming costs.

The residual budget available from growth and inflation for ongoing needs for items such as COLA, benefits, and site-based budgets is \$3.5 million. No restructuring money is figured. It is simply a reallocation of resources, not an increase in funding or budget reduction.

The last several years of Board budget priorities was reviewed to provide a foundation to determine next year priorities.

Board discussion included:

Dr. Smyser expressed appreciation to the Finance team for making the information easy to understand. The employer portion of PERA mirrors the Negative Factor buydown number. There may be an intention on the part of the State to help Districts with the impacts of the PERA Board's proposal.

It is important to be careful, conservative, thoughtful, and patient due to the politics currently surrounding education funding and PERA.

Director Petterson expressed appreciation of the multi-year modeling.

The budget available for ongoing needs does not include Negative Factor buydown. Mill levy override and growth is partially intended to cover expenses outside of student-based budgeting for opening new school buildings. This number will move and be revisited. Many things can be done to save funds in anticipation of additional needs.

Director Donovan asked for clarification that the PERA employer contribution is projected to be \$3.3 million over a two-year period. After that, it is an ongoing cost that is built into the base.

Director Febvre asked if we may need to look at increasing Reserves to address upcoming needs related to opening new schools as well as other things that could come up. This is not a point-in-time report. It will be modified along the way. The long-term projections help with planning.

Director Kipp expressed concern over Charter legislation 1375 and the mill levy overrides. There is uncertainty around the legislation and if Charter schools are restricted in the use of monies. Current overrides were determined before the legislation so may not be factored. There are many unknowns.

Director Donovan asked for clarification on the projections document regarding what will be shared with the Charter schools.

Executive Director Montoya was invited to engage in a discussion with the Board on budget priorities.

Director Kipp asked Mr. Montoya to provide an explanation on what is meant when referring to Board Reserves. There is an unassigned residual Reserve and a fund balance policy Reserve. The District found that other Districts in good financial standing had between 3-5% for Reserves. Ratings agencies prefer Districts have a policy in place. Not a District reserve but a line-item. Use must be approved by the Board so is different from the District Reserve. Contingent usage has been used for long range planning and replenishing Reserves in the past. The Board can define criteria for use as they see fit.

Board members expressed what they believe should be prioritized when formulating the budget. These include:

- Allocation for social/emotional well-being support
- Graduation rates. May need to spend more money.
- Teacher collaboration
- Secondary school start times. Wrap social/emotional into it.
- Crowding of schools (Reserves)
- Athletics (Reserves)
- Continue 2017-18 priorities. Keep the ones that are working. The Superintendent and administration should report to the Board if there is interest in changing any of them.
- Temporary instructional Paraprofessionals

Will continue to discuss priorities in the next Board retreat. Would like to bring it back to another Board meeting after.

## **6.2 Recommended Program Changes Requiring Termination of Classified Job Positions**

Superintendent Smyser reiterated the rationale behind scaling back Central Office. This process was implemented to become more efficient and be good stewards of taxpayer dollars.

Superintendent Smyser reviewed the changes that will be implemented next school year. She looked at the instructional side of the house this year. There was a focus on teachers on special assignment.

The Board will be briefed once restructuring details (who reports to whom) have been determined.

The money (\$1.5 million) from these positions will be distributed to schools to develop the capacity of the teachers in the schools. Schools are looking at their staffing formulas. The Superintendent is not determining specifics on how the money will be spent. This funding will provide opportunities in staff development for teachers while we have the funding. Once the funding goes away, the teachers will have had those opportunities. Because of the restructure, will lose some classified positions. Those positions have not been determined yet. A resolution will be brought to the Board for approval. The administration is working to make sure teachers are in front of students as much as possible while being able to take advantage of training opportunities.

Board discussion included:

There are workload concerns because of these changes. The District is asking teachers and staff to do more with less. Sites have the ability to fund the hiring of additional positions. The work will remain but with less staff. Burnout should be considered as staff takes on additional duties. Concern about putting too much on directors at Central Office. Some directors will have less staff to manage. Some will have an increase in staff. The money cannot be used to alleviate crowded classrooms. Money is short-term so using it for staffing is not recommended.

The Board recessed at 8:19 p.m.

The Board reconvened at 8:30 p.m.

### **6.3 Long Range Planning Update**

Assistant Superintendents Todd Lambert and Scott Nielsen, Executive Director Pete Hall, Athletic Director Russ McKinstry, and Early Childhood Director Carolyn Martin provided the long-range planning update.

Modulars: May be placed at Bethke, Eyestone, and O’Dea elementary schools and Wellington Middle School. The decision will be made at the end of January 2018 for the 2018-2019 school year. Available space for modulars is considered so they do not impinge on current areas at the sites.

Athletics: Have increased the number of sports and utilizing current spaces has been challenging. This will continue to be challenging until there is more space. The amount of activity stresses fields. Try to provide a healthy and safe environment for student athletes. Some fields have exceeded their life span. Staff are making plans to address these issues. There is not a lot of flexibility given our current constraints.

Early Childhood: Years ago the District moved early childhood from a single location to a District model. PSD is constantly moving programs around. Short term challenges include fulfilling the requirement of 40% first year students to be in a

full-day program in 2018-2019, finalizing locations for ECE classrooms for 2018-2019, continuing to look for ECE classrooms to educate 50% of Head Start funded in a full-day model by 2019-20, and trying to find the best locations for parents.

This week, the District received notice from Health and Human Services Secretary that the federal government is unable to fund full-day services. As a result, the current plan is to continue with the 40% plan. We are still required to fund 100% in 2021-22. If we can stay on the current plan to open new schools, this can be accomplished. Early Childhood may have to find different ways to access our goals if it gets delayed.

Long term challenges include ensuring space is available to meet the 100% obligation, possible changes to Colorado Pre-School Program (CPP) expectations, implications of having some students attend full-day and some attend partial days.

Under combined funding sources, there is a waitlist of about 100 students. PSD Early Childhood is currently serving about 1000 students.

Staff reviewed the timeline for long range planning including site-level planning over the next seven months with the Board.

Board discussion included:

Wellington needs more classrooms for Early Childhood. There will potentially be more students outside Wellington than in. Discussions have taken place about use of current Wellington Middle School when the new school is built. Wellington's growth is a factor in Early Childhood capacity. For Early Childhood, the impacts will be felt when the new elementary schools are opened. Frustrating to be working without knowing when new schools will open.

The cost of modulars is about \$200,000. PSD is looking at options for paying for modulars. This money could come from 2016 mill levy override (growth measures), may look at Board Reserve, or one-time monies next year.

PSD has partnerships with the City of Fort Collins related to field use. The cost for softball and baseball is around \$4,000-5,000 per season to utilize City fields. May be able to partner with CSU in the future.

Must be creative, efficiently managing class sizes and the use of modulars until new schools are built. Each year that goes by, changes the plan.

The situation at Wellington Middle School is critical. The situation at Eyestone and Rice is not as urgent. O'Dea is in a more urgent situation.

The plan is to limp-along until we can build schools. The District is not considering changing boundaries at this time.

#### **6.4 Graduation Rates**

Assistant Superintendents Scott Nielsen and Jinger Haberer provided high-level information on graduation rates in PSD. More in-depth information on sub-groups will be provided with the DE 1.0 presentation next month.

The State reported PSD graduation rate was 78.6% for four-year grad rates, which was slightly below the state rate of 79%. The adjusted rate is the actual rate PSD uses, which raises it to 81.7%. The adjusted rate show students who had met required credits but chose to stay to complete a program.

Mr. Nielsen and Ms. Haberer showed the Board CDE's raw data, data without ASCENT and OU, and data with ASCENT with OU. Also shown were graduation trends for smaller schools without ASCENT and OU and with ASCENT and OU.

The District continues to use data for identifying students off-track, grade checks, levels of support, and discipline/attendance. Sites use this data to determine how students are doing in a more accessible way with the dashboard. The District is working with the high schools in creating plans. Individual site plans will be determined by end of this year.

Attendance has been identified as an issue. PSD is working on best practices and dropout prevention strategies.

High schools are doing three-week, or less, grade checks and monitoring. It takes time to see results from that work, most of which was implemented with Freshmen last year. It is important to continue to identify struggling students and support students and teachers. It is important to connect students with interests and change the classroom experience. There is ongoing work with community groups. The community help us support students beginning with early childhood. They become resources for us.

The Connections survey has actionable information this year and offers opportunities to connect with students directly, leading to one-on-one interventions. This information will teach us what we can do better in the future.

Staff is working to recognize the challenge of students graduating in four years and those who choose to take five years.

Excited for the opportunity and challenge to improving graduation rates. The District is not accepting the rate we have this year and are committed to improving the rate.

PSD is looking at traditional practices; what is working, what is not. Have high expectations along with support. There needs to be flexibility within the master schedule and during the school day. Must help students understand how the work they do in school fits into their future and contributes to their success. Career and Technical education classes contribute to student engagement and opportunities like mentorships provide purpose which leads to success in school.

Board discussion included:

The state graduation rate has continued to increase and with the exception of 2012, PSD on-time graduation rates have continued to fall. New graduation requirements came out in 2012 and this may have contributed to more minority and at-risk students being negatively impacted. Would like to understand if this is an equity issue.

Concerned about dropout rate impacts.

Use more supports trying to keep these students in school. Data is showing dramatic increases when schools use supports and do not lower expectations. There has been progress in the last 12 months on giving kids flexibility. There is still work to do. Personalizing education early is important.

At the request of Director Kipp, high school principals shared what they are doing in their buildings to address challenges students face with on-time graduation.

- Intervention system at Rocky Mountain High School is vast. Connections with staff help inspire students. Teacher mentor program.
- Poudre High School addresses equity. Too soon to determine the impact. Increase in concurrent enrollment. Students are seeing relevancy. Attendance rate has gone up by using community program within the school. Number of failing classes in freshman year is a big indicator. Attendance and truancy seems to directly correlate with graduation rates. A student reengagement grant has helped with dropout recovery. The program helps students graduate from high school while getting college credit.
- 9<sup>th</sup> grade Language Arts has been the focus at Fossil Ridge High School. Helping with academic skills and strategies along with curriculum. Skills transfer to all classes. Practicing project based learning to increase student buy-in.
- Fort Collins High School is hoping to get OU. Project based learning has been implemented. Mind center program staffing to support struggling students. Using Power BI to identify students. Transition academy targets students who

are behind in credits. 80% of staff is AVID trained. Student engagement has increased.

- Centennial High School is designed for students who are behind and disengaged. Help students identify barriers and support them while keeping the bar high. Affective approach. Different. Behavior-first to make positive changes. On-time graduation is unusual at CHS. More students engaged in classes at Front Range Community College. Teach personal responsibility and accountability. Create a vision of success to get their diploma.
- PSD Global Academy focuses on relationships. Intentional connections between staff and students make a difference. Graduation support coach for students behind on credits.

Board discussion included:

Would like to know if graduation rates have a correlation to dropout rates.

Staff is looking at demographics, middle school testing in 2012, and level of parent engagement as possible indicators.

Continue to hear from parents about lack of teacher communication in secondary schools, especially in high school. Schools are increasing expectations for teachers who have students with lacking performance to contact parents and students. Attendance is also monitored, and families are engaged for support. Level of communication changes from elementary school to secondary schools. Personal family relationships are more difficult with more students. Gradual release of responsibility is important as well. Parent Vue is always available. Encouraging students to communicate with their parents as well as the teachers. Personal responsibility, choice-based for high school students to be accountable. Will provide support, but students must take responsibility. Relying on Parent Vue and putting students in charge; own their learning is not working according to graduation rates.

Mental health has a dramatic impact on falling graduation and dropout rates. Have increased supports at the school and beyond and still have many more needs. Students seem to go to a device to cope rather than go to a person. Drug use, attendance, and mental health issues go hand-in-hand.

Working on incorporating hybrid-blended learning at some of our high schools in the form of online learning. Schedule flexibility related to alignment with concurrent enrollment. Schools are attempting to bring those schools on to high school campuses to provide better access. Does not work for all programs. Working on equity with this program.

Perhaps start helping younger high school students, holding them accountable for their grades.

Not as concerned with a four-year graduation rate as with making sure students do graduate. Making sure resources are in place for adequate supports.

New graduation requirements for current 9<sup>th</sup> graders is going to lead to a larger problem in three and a half years.

Make every effort to find out what student passions are.

High schools are finding creative ways for students to finish their credits. Need to continue to do that. The Poudre High School program for dropout recovery is great. Schools are doing so many great things.

In foundational classes, teachers are showing relevance to the real world through educational technology, connectedness. Working to embed these practices system-wide. Reorganization provides an opportunity to expand this program.

Flexibility for principals related to graduation requirements. Stay the course and allow secondary schools to continue to do what they are doing while providing supports. Room for improvement and working toward improvement.

Think about at what point the public should be worried. Provide explanations for the public. Parents only care about their student. Need to look at if we are doing right by our kids. Will make sure we will do better. PSD has great leaders. Appreciate the work our principals are doing. Would like to know what the Board can do to help schools.

## **6.5 Legislative Discussion**

The legislative sub-committee was able to have a presentation from Tracie Rainey with Colorado School Finance Project (CSFP). The sub-committee will be meeting this Thursday to continue work of the sub-committee as the presentation from CSFP took up much of the meeting time.

## **7.0 ADJOURNMENT**

Board meeting adjourned at 10:38 p.m.

Respectfully submitted,

Tessa Oppenheimer  
Secretary to the Board of Education