

MEMBERS PRESENT: MS. KAREN MILLER, Presiding
MR. SCOTT GORSKY
MS. HEATHER HUNT
MRS. SHERRY SCAGGIARI

MEMBERS ABSENT: MS. SHELLEY THOMPSON

STAFF PRESENT: Dr. James McCabe, Superintendent
Ms. Peg LaPlante, Chief Financial Officer

OTHERS PRESENT: Ms. Vicki Howard, Parent
Ms. Jodie Litchfield, Parent

I. CALL TO ORDER

Ms. Miller, President, called the special meeting of the Board of Education to order at 7:00 p.m. in the Board Room of the Roscoe L. Davidson Administration Building.

II. READOPTION OF BUDGET—FISCAL YEAR 2006-07

Dr. McCabe explained that the budget adopted in June is based on projected enrollments. The proposed readopted budget is based on October counts. By law, the readopted budget must be approved by October 15. He thanked Ms. LaPlante for all her work over the weekend to update the budget after getting counts on Friday.

Ms. LaPlante explained that the projected enrollment decline was expected to be 124.5 FTE, but actually came in at 253 FTE. Sinclair and CFAHS experienced bigger losses than expected. She also explained that, even though these projections were quite a bit lower than expected, because of the averaging formula, increased revenue from property taxes, and other District cost-savings measures (listed below), she was able to balance the budget without taking funds from the Reserves. Additionally, she was able to increase the allocation to Capital Reserves for security cameras for the middle/high schools, so this money would not need to be taken out of Reserves at a later date.

District cost-savings measures included:

- two teacher openings were not filled—one at Sinclair and one at CFAHS—due to the lower enrollment numbers
- schools with lower projections received less money for supplies and materials
- several teachers were hired into the District at a lower salary than the teachers they replaced (due to new teachers replacing experienced teachers)

In discussing the lower enrollment numbers, Dr. McCabe said that projections for the next five years are usually based on the past five years and this year's projection was really off. Ms. LaPlante said they need to further research why these schools lost this number of kids, but noted that the District is surrounded by other districts with

declining enrollment. She believes that schools are being encouraged to hold onto their kids. At one time, CFAHS had a waiting list of kids wanting get in—this is no longer true. Dr. McCabe suggested that the new immigration law might also have something to do with the lower numbers. If people cannot work due to this new law, they may have left the area. Ms. LaPlante said they were watching enrollment numbers at each school even before school started and noticed the lower enrollment numbers at Sinclair early. Mr. Johnson tried to contact those kids who did not enroll, but could not find them. Ms. LaPlante noted that from previous surveys, although there were a few responses showing dissatisfaction with the schools, the majority of kids leaving the District were due to parents moving to a different location.

Ms. LaPlante summarized the changes from the budget adopted in June as follows:

- additional property tax revenue of approximately \$100K due to increase in abatements/refunds
- enrollment down from projections
 - monitored student database before start of school
 - did not fill open positions at CFAHS and Sinclair
- adjusted school budgets for supplies and materials based on updated enrollments
- calculated actual salaries for late hires
- bottom line reflects BOE's decision to fund Cherrelyn turf project from General Fund Reserves (transferred to Capital Reserve Fund)
- transfer additional funds to Capital Reserve for security camera installation.

Ms. Hunt asked about encumbrance carryovers. Ms. LaPlante explained that for goods and services ordered but not received by June 30, the budget for those amounts need to carry over as well so that schools and departments use prior year budget dollars. Board members observed that the fund balance for the General Fund increased. Ms. LaPlante stated that actual revenues exceeded budget, and actual expenditures were less than budget. Interest income was quite a bit more than budgeted since interest rates increased significantly last year. The District also received an additional amount for special education at the end of last year. Ms. LaPlante also stated that she conservatively budgets expenditures in the general fund, for example, utilities.

Ms. Miller moved and Mrs. Scaggiari seconded, the following resolution to approve the 2006-07 Readopted Budget Fiscal Year 2006-07 for Englewood Schools:

BE IT RESOLVED by the Board of Education of Arapahoe County School District Number One (Englewood Schools) that the amount shown in the following schedule be appropriated to each fund as specified for the ensuing fiscal year beginning July 1, 2006 and ending June 30, 2007.

<i>General Fund</i>	\$ 33,843,053
<i>Bond Redemption Fund</i>	6,473,307
<i>Capital Reserve Fund</i>	1,125,073
<i>Colorado Preschool Fund</i>	458,580
<i>Designated Purpose Grants Fund</i>	3,195,523
<i>Food Service Fund</i>	824,334
<i>Student Activity Fund</i>	1,003,619

<i>Technology Fund</i>	455,926
<i>Trust Fund</i>	8,581
<i>Tuition Programs Fund</i>	833,038
<i>Total Appropriation for All Funds</i>	\$ 48,221,034

BE IT FURTHER RESOLVED, the Board of Education authorizes the use of a portion of the 2006-2007 beginning fund balance for the following funds:

General Fund in the amount of \$23,554 for a turf project at Cherrelyn Elementary and \$159,145 for encumbrance carryovers from 2005-06;

Capital Reserve Fund in the amount of \$354,357 for district maintenance and repair projects;

Colorado Preschool Fund in the amount of \$38,016 for salaries and benefits;

Technology Fund in the amount of \$20,058 for technology equipment.

BE IT FURTHER RESOLVED, the use of this portion of the beginning fund balance for the purposes set forth above will not lead to an ongoing deficit due to one-time expenditures.

BE IT FURTHER RESOLVED, that the Board of Education authorizes the superintendent or the chief financial officer to borrow available unencumbered cash balances in the General, Capital Reserve, Designated Purpose Grants, Technology, Food Service and Building funds in accordance with CRS 22-44-113 to be used to fund short-term cash needs of the district during fiscal year 2006-07. The Board will be notified by memo of the following information whenever inter-fund borrowing takes place: why the funds are being borrowed, the total amount of funds to be borrowed, the accounts funds are being transferred between, when the money will be repaid, the source of repayment, and notice of when repayment is actually made.

BE IT FURTHER RESOLVED, this resolution, in accordance with CRS 22-44-113, excludes inter-fund borrowing from the Bond Redemption Fund.

ROLL CALL:	Mr. Gorsky, Aye	Mrs. Scaggiari, Aye
	Ms. Hunt, Aye	Ms. Thompson, Absent
	Ms. Miller, Aye	Motion Carried, 4-0

Board members thanked Ms. LaPlante for all the work she put into the Readopted Budget.

III. ADJOURNMENT

There being no further business, Ms. Miller adjourned the meeting at 7:40 p.m.

Ms. Karen Miller, President
Board of Education

Jill Rogers, Secretary to the
Board of Education

Date Approved