

**DES MOINES PUBLIC SCHOOLS
SPECIAL SCHOOL BOARD MEETING
BOARDROOM — 1800 GRAND AVENUE
MINUTES
MARCH 30, 2010**

CLOSED SESSION – 5:00 P.M.

Ms. Caldwell- Johnson moved the Board go into closed session pursuant to Iowa Code Section 21.5(c). Second by Woods.

Aye: Buckton, Woods, Caldwell-Johnson, Strong, Boesen*, Link, Murphy
Nay: None
Motion carried.

*Ms. Boesen excused herself from closed session due to a conflict of interest and took no part in the closed session.

The Board returned to open session at approximately 5:15 p.m.

Ms. Strong moved that the Board take necessary steps to secure a mutual release from Rice Development Partners, LLC., to void the Real Estate Purchase Agreement (“Purchase Agreement”) entered into on January 9, 2007, and its subsequent Amendments. Second by Murphy.

Ayes: Buckton, Woods Caldwell-Johnson, Strong, Link, Murphy
Nay: None
Motion carried.

REGULAR MEETING – 6:00 p.m.

The Board of Directors met in a special session on Tuesday, March 30, 2010, in the boardroom at 1800 Grand Ave., Connie Boesen presiding.

Present: Boesen, Buckton, Caldwell-Johnson, Link, Murphy, Strong, Woods
Absent: None

APPROVAL OF AGENDA

Ms. Strong moved to approve the agenda. Second by Murphy.

Aye: Boesen, Buckton, Caldwell-Johnson, Link, Murphy, Strong, Woods
Nay: None
Motion carried.

APPROVAL OF MINUTES

Mr. Murphy moved approval of the minutes of March 9, 2010. Second by Link.

Aye: Boesen, Buckton, Caldwell-Johnson, Link, Murphy, Strong, Woods
Nay: None

Motion carried.

CONSENT ITEMS – 6:05 p.m.

5. Personnel Recommendations ----- 1

Ms. Buckton moved approval of the consent items. Second by Link.

Ms. Buckton commented she had received a call from the superintendent from Carlisle and he had commented the district was very fortunate to have Julie Kruse hired as an administrator for Willard Elementary.

Ms. Boesen commented on staff that have been with the district for so long and thanked them for their service.

Aye: Boesen, Buckton, Caldwell-Johnson, Link, Murphy, Strong, Woods
Nay: None
Motion carried.

PUBLIC HEARING/PUBLIC FORUM – 6:03 p.m.

6. Proposed FY 2011 Budget ----- 3

REQUESTS FOR INFORMATION – 7:50 p.m.

Board will be evaluating the tax rate over the next year.

CHAIR’S REPORT

Ms. Boesen stated April 6 is the next regular Board meeting, April 13 is a special Board meeting, and April 20 is a regular Board meeting.

SUPERINTENDENT’S REPORT

N/A

ADJOURN 8:00 p.m.

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Subject: PERSONNEL RECOMMENDATIONS

For: ACTION

Contact: Twyla Woods

Attachments: None

(twyla.woods@dmps.k12.ia.us; 242-7972)

Superintendent's Recommendation: The superintendent recommends the Board approve the personnel recommendations.

Background:

LEAVE OF ABSENCE

Name	School, Position	Effective Date	Reason
Abendroth, Melinda	Stowe, ECSE	08/10-08/11	Personal
Carr, Ronell	Early Access, Speech Pathologist	08/10-08/11	Family responsibilities
Neel, Rosemary	Extend LOA	08/10-08/11	Family responsibilities
Rumple, Julie	Extend Leave of Absence	08/10-08/11	Family responsibilities
Voss, Sarah	Spanish	08/10-08/11	Family responsibilities

RESIGNATION

Name	School, Position	Effective Date	Reason
Anderson, Mertze	Smouse, Nurse	06/08/10	Personal
DeJong, Kari	From Leave of Absence	06/08/10	Family responsibilities
Hodges, Debra	STAR Program, Behavior Disorders	06/08/10	Moving
Hogan, Jennie	Walnut Street School, Literacy Leader	06/08/10	Family responsibilities
Stephan, Kristen	Jackson, 5 th Grade	06/08/10	Personal
Tinder, Susan	Holy Family, ELL	06/08/10	Personal
Weiss, Catherine	Harding, Multicategorical	06/08/10	Personal

COACHING DIFFERENTIAL

School	Name	Position	Effective Date	Amount
Harding	Leib, Steve	Middle School Track	03/06/2010	\$1,428.
Lincoln	Sears, Sandy	Girls Head Tennis	03/06/2010	\$2,855.
Hoover	Weatherman, Ty	Assistant Baseball	05/01/2010	\$2,500.

COACHING RESIGNATION

School	Name	Position	Effective Date
Harding	Bagby, Andrea	Middle School Track	03/06/2010
East	Fenstermann, Terrie	Head Volleyball	03/10/2010
Lincoln	Sears, Sandy	Assistant Girls Tennis	03/06/2010

ADMINISTRATOR APPOINTMENT

Name	Position	Amount	Effective Date
Amos, Sherry L.	Principal, McKinley Elementary School	\$84,332	7/1/2010

Masters Degree in Administration and Supervision, University of Houston, 2003. Bachelors Degree in Early Childhood and Elementary Education, University of Northern Iowa, 1994. Experience: Literacy Leader, Studebaker Elementary School, Des Moines School District, 2008-present; Instructional Lead Teacher, Garcia Elementary School, Houston School District, 1996-2008. Address: Ankeny, Iowa.

Name	Position	Amount	Effective Date
Kruse, Julie A.	Principal, Willard Elementary School	\$89,420	7/1/2010

Masters Degree in Counselor Education, Iowa State University, 2001. Bachelors Degree in Elementary Education, Iowa State University, 1998. Experience: Principal, Hartford School, Carlisle School District, 2005-present; Dean of Students, Moulton Elementary School, Des Moines School District, 2003-05; Co-Assistant to the Principal, Perkins Elementary School, Des Moines School District, 2002-2003; Elementary School Counselor, Perkins Elementary School, Des Moines School District, 2001-2003; Fourth Grade Teacher, Westwood Elementary School, Ankeny School District, 2000-2001; Fourth Grade Teacher, Wallace Elementary School, Johnston School District, 1998-2000. Address: Urbandale, Iowa.

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**EARLY RETIREMENT
MANAGEMENT FUND**

Name	School	Position	District Years	Effective Date
Angell, Susan L.	Lincoln	French	26	06/10/10
Baker, Linda L.	East	Vice Principal	27	06/30/10
Caldwell, Janis R.	Moulton	6-8	37	06/04/10
Campbell, Sharon K.	Samuelson	Art	27	06/10/10
Christakos, Jim T.	Carver	5	38	06/10/10
Gray, Judith E.	Callanan	Social Science	24	06/10/10
Hom, Kong	Custodial	Op Zone Manager	29	06/30/10
Kerman, Paula L.	Pleasant Hill	Art	27	06/10/10
Mak, Ly Houng	Custodial	Op Zone Manager	30	06/30/10
Manning, Joyce J.	Harding	Lang Arts.5 / Reading .5	34	06/10/10
Mathis, Mary D.	Downtown School	4-5	28	06/30/10
Saathoff, Jerry R.	Custodial	Op Zone Manager	38	06/30/10
Stroope, Susan L.	Central Campus	Prep Acad Science	35	06/10/10
Thompson, Stanley R.	East	Social Science	41	06/10/10
Weishaar, Penelope B.	Hoover	Counselor	36	06/10/10

GENERAL FUND

Name	School	Position	District Years	Effective Date
Baig, Hamed M.	Central Campus	ELL	32	06/10/10
Burkle, Lou Ann M.	Holy Family	RRecov.5 / InCl Read.5	26	06/10/10
Graziano, Albert H.	Lincoln	Principal	44	06/30/10
Telenson, Judith A.	Student Services	Social Worker	33	06/10/10

Item No. 6**Page 1 of 8****Subject: FY 2010 — 2011 PROPOSED BUDGET****For: DISCUSSION****Contact: Patti Schroeder****Attachments: None**

(patricia.schroeder@dmps.k12.ia.us; 242-8527)

Issue: Proposed FY 2011 budget (July 1, 2010 – June 30, 2011).

Superintendent's Recommendation: The superintendent recommends the Board begin discussion on the proposed FY 2011 budget and act to set the official public hearing on the maximum FY 2011 budget and supporting tax levy for Tuesday, April 13, 2010.

Presenters: Patti Schroeder

Background: The adoption of the annual budget authorizes resources and establishes a financial direction for the district in line with the district's Ends Policies; Management Limitations 2.5 relative to Financial Planning/Budgeting and budget assumptions for the coming year, FY 2011.

What was stated at the beginning of last year's budget document still holds true. "The community in which we live has been and will continue to be dramatically affected by an unprecedented, staggering global, national, state and local economic crisis."

Here is what is known today as the proposed budget is submitted to the Board:

- The funding from the "American Recovery and Reinvestment Act of 2009" (ARRA - federal stimulus funding) that rescued each school district in the state last year is almost gone.
- State revenues have not rebounded to replace ARRA funding and state revenues continue to be significantly down, so state spending must be further reduced to ensure a balanced budget on the state level as required by state law.
- All school districts in the state rely heavily on the receipt of state funding for operations. Since state revenues continue to be down, each school district will receive less state funding requiring each district to significantly reduce district expenditures to maintain a balanced budget, also required by law.
- School funding makes up 45-50% of the state budget. And 84.4% of the district's General Fund budget funds compensation of teaching and operations staff.

School districts must propose a FY 2011 budget, without knowing what level of state funding will be available to the district for FY 2011, because the legislature is still in session and has not finalized school district funding decisions.

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Therefore, this budget proposal includes budget reductions including significant staff reductions based on the likely funding the district may receive from the state.

At the same time, the federal government has required every state to identify those schools in the state that are considered “persistently low achieving schools (PLAS). The Department of Education has identified nine schools in Des Moines as PLAS. Federal and State legislative action requires each district with PLAS to redesign these schools’ educational programming by deciding on and implementing one of four federally defined intervention models: Turnaround model, Restart model, Closure model or Transformation model. (See also section on School Improvement.)

Past district school redesign efforts have focused on targeted instructional professional development; providing supplemental services; hiring high quality educators – both teachers and principals; and replacing literacy and mathematics curriculum. However, the Board of Education of the Des Moines Public Schools recognizes the need to continue these redesign efforts by now centering efforts on selecting and implementing one of these four educational models. To that end, this budget includes funding to continue the implementation of several initiatives aimed at improving student performance, growth and achievement.

Minutes

Speakers: Tom Sletto, 1617 47 th Street	Shane Schulte, 1063 39 th Street
Nancy Welch, 330 42 nd Street	Bill Benvenuti, 318 East Broad Street
Roger Maxwell, 7803 College Avenue	Jay Radcliff, 1423 Forest Avenue
Madison Helton, 1225 43 rd Street	Bobbi Spear, 2338 East 14 th Street
Steve Barnes, 614 Virginia Avenue	Jim Patch, 2803 Stanton
Alan Young, DMEA President	

Dr. Sebring and Patti Schroeder presented the 2010-2011 Budget.

Ms. Schroeder stated the district believes the final legislative action has taken place. A two percent allowable growth has been set and also the legislation is specific about what is funded with the two percent. The teacher’s supplemental pay, Phase II money, professional development, Iowa Core Curriculum (which is money that is used for training to get the Iowa Core Curriculum together prior to 2013), and early intervention funding (which is class size reduction money) are the specifics. She presented a preliminary plan for restoration of positions and listed priorities that have been discussed.

Dr. Sebring reiterated that all positions will not be restored but some positions in each of the priority areas will be restored.

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Ms. Buckton had updated information from the standings bill that afternoon. Legislation was able to find \$7.5 million for instructional support. This came out of RIF money.

Mrs. Woods shared her concerns that supervisors are informing operations employees their positions will be outsourced.

Ms. Boesen commented the situation will be investigated.

Dr. Sebring commented that the Board had discussed the district outsourcing as a possible means of saving money within the district, however feels discussion within departments is not appropriate.

Ms. Buckton commented on the reference to spending authority — \$11 million that is under funded from the state. With that \$11 million the district does get an increase in spending authority. If the Board decided to tax for that and spend it, the district's spending authority would not go down at the end of the year as a result of that decision. This is a one-time decision to provide the resource to cover a shortfall that has been given to us from the state. It is not as though the spending authority outcome would be changed because of that unless we wanted more spending authority than that or continue to have short falls. Ms. Buckton presented some calculations she had done. If the Board chose to add \$1 per \$1,000 and tax for some additional spending authority, the home owner that is used as an example in the presentation would be paying an additional \$32 yearly, less than the price of one Happy Meal a month and the district would be able to restore some very important programs that are at risk. She is concerned because the e-mails she has received are at least 50 to 1 in favor of preserving programs and providing opportunities for kids. The Board does not have to vote this evening and by not voting on the budget, the Board is directing the administration to publish the existing tax rate. Once this is published, the Board has no alternatives. She suggested the Board take a different approach and propose raising a tax rate by \$1 and see what that generates in terms of public discussion.

Ms. Caldwell-Johnson agrees with Ms. Buckton's statement. She is concerned about the long-term view. The district will be facing some of the same issues in one a year. Looking at what the district could be facing next year, even with restoration of the funding, the district needs to proceed with caution and a degree of strategic thinking in terms of how the district positions itself moving forward. Given the opportunity to take the long term view, the district does have an opportunity to look at what options are before us and be really focused on the options in a way that gives the district greater latitude to not only do what the district needs to do for this year but focus on the long term. She mentioned at the last meeting there were several questions she had in regard to the budget book. Ms. Caldwell-Johnson shared a document with her questions in hopes that prior to the final adoption of the budget, she can get responses to them.

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Ms. Link asked about the timeline of notifying employees if there was going to be a change in their employment status.

Dr. Sebring responded the district needed to make decisions by Friday, April 2.

Ms. Twyla Woods responded administrators will be meeting immediately and by the end of the week the human resources department will meet and reevaluate what needs to be done regarding the changes announced tonight. She estimates this process could take up to two weeks. The district has a statutory deadline to notify anyone that is going to receive a layoff by April 30. This will have to be brought to the Board at the April 20 meeting.

Ms. Link commented that a lot of the DMPS population do not have the option of a Happy Meal a month and the Board needs to keep that in mind before voting on this budget.

Mr. Murphy commented that even if the district raises revenue, the Board will still have to make restorations in a priority order and there will still not be enough funding to avoid cuts. He is concerned that ELL is the third priority. The district has had a significant increase in the number of ELL students. The Board has been inundated with research proposals on achievement. If students can speak English, they will achieve better than students that cannot. For the district to have that as a third priority is having it in the wrong position and needs to be restored as much as any of the other priorities ahead of that. Mr. Murphy wanted clarification on a budget issue. It is his understanding that beginning July 1, IPERS will go up 1 ½ percent for the district.

Ms. Schroeder responded yes and legislation has been passed that IPERS will increase even more in 2012. She also reminded the Board that IPERS is folded into negotiations.

Mr. Murphy commented that IPERS still impacts the budget because 84 percent of the general fund is for salaries and most of the employees are on IPERS. He acknowledged and thanked A Mid-Iowa Organizing Strategy (AMOS), the speakers and community members in attendance for their participation and awakening the legislators to this issue. Mr. Murphy supports the idea of a long-term study on school funding in Iowa and comparing it with other areas around the country. Funding needs to be flexible. The needs of the Des Moines School District can be different than other parts of the state which makes it difficult for the legislation to dictate how the money is spent. Mr. Murphy commented the district would be asking the community to renew the PPEL funding and feels there needs to be a lot more discussion on any revenue enhancement.

Ms. Strong commented the budgetary crisis has forced legislators, families and school districts to take a very close look at how education is funded. The Board has made a priority that teachers, classroom sizes and programs are what is important. Before she is willing to look at any type of tax increase, she wants to look at what the state can do and

what the community can do first and demanding flexible spending for school districts instead of prescribing to the districts how money must to be spent. She also questions why the fine arts are not mandated in the Iowa Core Curriculum if the state puts such value on the arts. She compared Iowa with Minnesota where that state has a fine arts institute that is statewide for high school students. Ms. Strong also commented on outsourcing and that it may be necessary to look at that as an option when the Board considers the core mission of the district. She is reluctant at this point to increase property taxes.

Ms. Boesen commented the Board needs to do some long range planning but the state needs to look at some long range planning as far as how they support education. She feels there is imbalance among school districts as far as how money is designated. She does not support raising taxes and feels there are other ways of increasing revenue. The district and community need to be more creative with the money that is available.

Ms. Buckton commented that the district is often very critical of legislation for not taking the necessary action to fund schools. This year they took some action. They repealed some tax credits, they looked at tax reform — \$120 million of revenue adjustment so they could fund schools and use \$100 million of their own cash reserve. They were not irresponsible with it. That cash reserve is going to go up more because they have an estimate of increasing revenues for next year. Ms. Buckton was not saying we should increase the tax rate or that we should increase it by the full amount of the shortfall but that by not saying something tonight, the Board does not have a continued discussion about this. What is published on April 2 becomes the highest rate the district can levy and there will not be a discussion again for another year after the district has contributed to the unemployment rate rather than preserving jobs. In reference to PPEL, if the rate goes up this year and PPEL is effective next year, the Board can talk to the taxpayer about this/her rate going down next year even if he/she vote for this levy.

Ms. Boesen asked the Board if they feel it necessary to meet again for discussion and possible action on an increase in tax rate.

Ms. Buckton moved to direct the administration to publish an increase in the cash reserve by additional \$1 understanding this is an open forum for debate and we'll continue talking about at the next two forums. The Board may subsequently direct the administration to lower it when the Board approves the budget. Second by Link.

Ms. Schroeder stated that the state may have done good things this year and have also done so in the past. One of the things they did is statewide property tax relief. The expectation from the state when they do statewide property tax relief is that you hold your tax rate down. That is the purpose. If the district raises our property tax above that line, the district is going above and beyond what the state wants the district to do with the statewide property tax relief. She also commented that the property tax rate does play into what is charged for apartment rental.

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Mr. Murphy and Ms. Link asked for clarification on the \$1 increase. Ms. Buckton responded her suggestion is to increase the cash reserve levy by an additional \$1 per thousand. By publishing this, it would allow the Board to get feedback from the public.

Ms. Caldwell-Johnson commented it's about achieving flexibility in our decision-making as opposed to locking ourselves in and eliminating the opportunity to have a discussion.

Ms. Buckton clarified that if almost \$10 in the district's regular levy brings in \$61.8 million, then \$1 would bring in about \$6.2 million more.

Ms. Link commented the district would still have a shortfall and cuts would still take place. It is raising taxes and not solving the problem.

Ms. Boesen reiterated the discussion is whether the Board wants to accept this rate and have it published on April 2.

Ms. Buckton reiterated for purposes of publication the Board will put the additional dollar on the budget and then the Board will be able to have further discussion.

Ms. Link asked why \$1.

Ms. Buckton responded she believes it's a balanced approach rather than taxing the full \$1.75 for the total \$11 million it would still allow the district to set some priorities. The district will still need to make some reductions.

Ms. Boesen stated that is what is on the table and asked for a vote.

The question came up asking if the Board could take action on an item not publicized as an action item.

Ms. Nigut responded the Board's by-laws indicate that the Board can take action on an item that has been posted as long as it is fully discussed. The agenda item is the budget. This discussion and possible vote pertains to the budget. The Board can take action on an item if it is stated clearly why they are doing so and it must be recorded very clearly in the written minutes. The Board is in line with state law and within the it's own by-laws.

Ms. Caldwell-Johnson commented it is important to note the action that is being proposed with the motion on the table is to allow the Board the opportunity to gather additional information before the final decision is made on the budget. Tonight is really not about making a final decision on the budget or final decision even about an increase. It is about directing the Board to get more information so the Board can have the opportunity for the discussion prior to the final decision on approval of the FY2010-2011 Budget.

Ms. Link again asked why the random \$1 per thousand

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Ms. Buckton confirmed yes, it is random in that the Board may not publish this. The Board cannot go any higher than what they put the ceiling on now.

Ms. Schroeder asked the Board what additional information do they need to make a decision on the property tax rate. The administration has already told the Board what the tax rate will be with a \$11.1 million reduction.

Ms. Caldwell-Johnson stated that Ms. Buckton's proposal is to allow the Board to have more input from the public so the Board can have a better sense of what the public believes would be appropriate in terms of a tax increase relative to this year's budget. With additional public input, the Board can make a more informed decision whether it's on an increase or staying the course with regard to what has already been proposed on the budget.

Ms. Strong commented that the people coming to speak at the Board meeting would not be representative of the entire community. She is not convinced that what she hears at a Board meeting would affect her vote either way. Ms. Strong feels it is something the Board can look at over the next year if the district stays in dire budget constraints. Ms. Strong asked Ms. Boesen to restate the motion.

The motion is the Board would ask for and publish on April 2 an additional \$1 in the cash reserve levy so the Board would have the flexibility to raise taxes if they chose to, or set a lower ceiling, or leave it the same.

Mr. Murphy commented he believes the Board needs a longer period of time to assess this option and get more input from the community during the next budget cycle.

Ms. Strong commented that one thing the Board has gained through policy governance is the need to communicate with business owners, and the general community ahead of time instead of making a decision on the results of public input at one meeting. She indicated that she may consider doing this next year but would like more time to study this.

Ms. Buckton commented she did not remember seeing any feedback from the community that maintaining the tax rate is the priority right now.

Ms. Boesen had not heard any public comments about raising taxes.

Aye: Buckton, Caldwell-Johnson, Woods

Nay: Boesen, Murphy, Strong

Pass: Link

Motion failed.

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Dr. Sebring commented on commissioning a study on school funding and she stated that has been a priority of the UEN group. It has been discussed all year beginning September, 2009. The city superintendents have also addressed school funding for urban districts that have different needs than other districts in the state.