

MINUTES OF THE BOARD OF EDUCATION OF HOWARD COUNTY

January 5, 2006

The Board of Education of Howard County held a meeting on the Superintendent's Proposed FY 2007 Operating Budget on Thursday, January 5, 2006, at 7:30 p.m., in the Board Room of the Department of Education, located at 10910 Route 108, Ellicott City, Maryland. The following were present:

Joshua Kaufman, Chairman
Diane Mikulis, Vice Chairman
Patricia S. Gordon
Mary Kay Sigaty
Courtney Watson
Jeff Lasser, Student Member

Sydney L. Cousin, Superintendent, Secretary/Treasurer
Sandra Erickson, Chief Academic and Administrative Officer
Raymond Brown, Chief Operating Officer
Patti Caplan, Director, Public Relations
Arlene Conway, Recording Secretary

Chairman Joshua Kaufman called the meeting to order at 7:34 p.m., and Mr. Lasser led the group in the Pledge of Allegiance.

Approval of Agenda

A Scheduling item was added to the agenda.

Action: Mrs. Watson moved approval of the amended agenda. The motion was seconded by Mrs. Mikulis and approved by the members of the Board (5/0). Mr. Lasser supported the motion.

Presentation of FY 2007 Proposed Operating Budget

Presenter: Dr. Sydney Cousin.

Dr. Cousin noted that the budget is directly tied to the *Bridge to Excellence (BTE) Plan*, which supports the school system's goals of accelerating academic achievement and ensuring a safe and nurturing environment for all students. A recent report on the BTE Plan showed the following:

- All elementary and middle schools and all but one high school have made Adequate Yearly Progress (AYP) as required by the federal *No Child Left Behind Act*.
- HCPSS has reached its 2005 target of 70 percent of students scoring at proficient or above in math and reading.

Approved – January 12, 2006

- Strides are being made towards closing the achievement gap.

In addition, the *Bridge to Excellence* report highlighted strategies that are making a significant difference in student achievement and identified areas targeted for improvement. HCPSS continues to be Maryland's top performing school district as determined by a number of measures, and county residents can be confident that their investment in public education is paying dividends. Dr. Cousin stated that the proposed budget reflects the reinvestment necessary to transform a very good school system into a great school system.

FY 2007 Expenditures:

- Over 64 percent of the budget is targeted to instruction, special education, and direct support services such as transportation, health services, and pupil services.
- Only 1.6 percent of the budget is dedicated to central administration. Mid-level administration represents school-based administrators (principals and assistant principals).

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FY 2007 Revenues:

- Majority of funding (71 percent) comes from the county.
- State revenue is 27.5 percent.
- Funding from other sources such as the federal government accounts for about 1.0 percent. These percentages have remained fairly consistent over time.

FY 2007 Funding Request:

- Budget proposal totals \$554 million, which represents an overall increase of \$50 million, or a 9.9-percent increase over the current year's budget.
- Of the total, \$396 million is requested in county funds, which represents a \$33.7 million, or 9.3-percent increase over this year's operating budget.
- It is anticipated that approximately \$152 million will be received in state funds, which would be a \$16 million increase, or 11.9 percent, over the current state funding level.
- \$5.8 million is expected from other revenue sources.

Major Costs:

Over \$40 million of the \$50 million increase can be attributed to several "big ticket" items.

Salary increases	\$20.8
Benefits	10.0
Transportation	4.0
Utilities	3.6
Full-day kindergarten	1.5
Beginning step increases	0.8
Substitute teacher raise	<u>0.6</u>
TOTAL	\$41.3

- Proposal includes funding for salary increases for the system's 7,000 employees; an increase totaling nearly \$21 million. Associated benefits will cost approximately \$10 million.
- Rising costs related to student bus service and utilities are projected to add nearly \$8 million to next year's operating expenses.
- Adding full-day kindergarten to 10 more elementary schools will cost approximately \$1.5 million.
- Another \$1.4 million is necessary to help the system improve its competitive standing related to teacher recruitment and hiring qualified substitute teachers.
- Numbers do not include new positions for enrollment growth, opening new schools, or program improvements.

Administration:

- Board of Education will increase from five to seven members next December.
- Budget includes funding for related costs and adds 1.5 clerical positions to support the expansion and the recently added ombudsman and auditor functions.
- Budget continues funding for the implementation of the new integrated financial management system.
- Budget adds a specialist and clerical position to assist with teacher hiring, as demands on central support services continue to increase.
- An additional clerical position is being requested for the Purchasing Office.

To support identified needs, existing functions have been reorganized. A Community Partnerships Office has been established to support the educational foundation and business partnerships, and a Staff Relations Office has been created as part of the Equity Assurance/Staff Relations Program. These changes are reflected in the budget.

Instruction:

Beginning with the Class of 2009, all students will be required to pass state high school assessments to graduate. Many critical items in the budget are tied to helping students meet this requirement.

- Budget provides teachers to expand the successful co-teaching intervention model in high school math and language arts.
- Adds mathematics instructional support teachers for lower performing middle and high schools.
- Budget funds a high school math tutoring program.
- Increases positions at Homewood Center to provide for instructional leadership and academic support.
- Provides additional academic transition assistants in the Academic Intervention Program.
- Adds in-school intervention support for students who do not pass the assessments.
- Positions have been added to address the needs of the growing population of English language learners and to support the involvement of non-English speaking parents.

- Funds are included to add teaching and instructional assistant positions for the expansion of full-day kindergarten to 10 elementary schools, which keeps the school system on target to have full-day kindergarten in all schools by the 2007/2008 school year, as mandated by the state.
- Funds are also included to complete expansion of the pre-kindergarten program.
- Five teachers are being added to accommodate increased enrollment in middle school French and Spanish classes.
- Funds are included in the budget for staff, purchase of the media collection, and general supplies related to the opening of the new Western ES in Dayton.
- A total of \$860,000 has been included to increase pay rates on the first five steps of the teacher pay scale, which will improve the county's position in the state related to teacher compensation and help HCPSS remain competitive.
- Budget includes a \$10 per day increase for substitute teaches – an increase that has not occurred since 1999.

Pupil Services, Health Services, and Transportation:

- Budget includes five daycare providers who provide infant care for the Teen Parenting Program. Because the Maryland State Department of Social Services has withdrawn funding, the school system will pick up costs associated with this program.
- Proposal includes three new cluster nurses to support the opening of the Western ES and to improve nurse staffing ratios.
- Funds are being added to continue the current level of athletic trainer services with the addition of varsity sports at Marriotts Ridge HS.
- Transportation budget includes funding to cover increased fuel and operating costs and to provide a 2-percent increase in the contractor reimbursement rate.

Operation and Maintenance of Plant:

- Budget adds 19.5 custodians to staff new buildings and additions and to accommodate expansions to existing facilities.
- Funds are also included for contracted grounds repairs and maintenance projects necessary to keep schools in good operating condition.
- Budget funds increases in the cost of property insurance and substantial increases in the cost of gas and electric utilities for existing, new, and expanded facilities.
- Five computer technicians and an engineer have been added to provide support required by the school system's increased use of computers and other technology. These positions are part of the school system's multiyear Technology Plan.

Fixed Charges:

- Fixed charges account for \$10 million of the \$50 million budget increase, the majority of which is due to the rise in health insurance costs.
- It is anticipated that health insurance costs will increase by nearly \$8.0 million, including \$2.0 million to provide medical coverage for new positions in the budget.
- Increase will be partially offset by self-insuring all medical insurance next year.

Mid-Level Administration:

- Budget adds one facilitator position to provide additional supervisory support for pre-kindergarten and kindergarten programs.
- Budget adds two assistant principals, which will provide a third assistant principal for Marriotts Ridge HS and an assistant principal for the new elementary school.
- 5.5 teachers' secretaries have been added to the budget to meet staffing formulas at existing schools.
- 2.5 high school data clerks are being added, which will provide full-time positions at each high school and a 0.5 position at Homewood.
- An addition of 6 bookkeeper positions will allow for a full-time bookkeeper at all high schools.
- Funding is included to upgrade the telephone-based substitute management system to a web-based system in order to improve efficiency.

Capital Outlay and Community Services:

- Budget adds a project manager to the understaffed School Construction Office to oversee numerous capital projects, such as those related to the full-day kindergarten program.
- Budget reflects increases in the Community Services category resulting from higher utilities costs associated with community use of school facilities.
- Budget continues nonpublic school transportation at the same level of service as in FY 2006.

Special Education:

- Staff positions have been added to address growth and the increasingly complex needs of students with disabilities:
 - 2.0 teaching positions to staff Grade 11 at Marriotts Ridge HS.
 - 1.0 position for full-day kindergarten expansion.
 - 4.0 positions for early childhood services at the new Western ES.
 - 2.0 teachers and 2.0 additional instructional assistants to provide programming for students who take the Alternative Maryland State Assessment.
 - 9.0 student assistant positions to provide services to children with autism and to help other students with disabilities access the general education curriculum.
 - A number of specialized staff positions are added to address growth.

Fiscal Unknowns:

This budget has been based on preliminary estimates of state funding in the range of \$152 million. However, state revenue numbers fluctuate throughout the budget development process, up to and sometimes past the point at which the Board submits its requested budget to the county government.

On the expense side, the school system is currently reviewing a recently submitted Charter School Application. If approved, funding associated with this school would require an amendment to the budget.

At this point in the budget process, there are only very preliminary estimates of anticipated increases in health insurance and utilities costs. More accurate projections will be available during the latter part of the Board's budget review process in February.

Summary:

Dr. Cousin reiterated that the county's investment in education is paying huge dividends, and that reinvestment is critical to fulfilling the promise to accelerate student achievement in a safe, nurturing learning environment. Continued support of elected officials and the Howard County community is essential to this process.

Mr. Kaufman announced the following schedule:

Tuesday, January 31	Public Hearing	7:30 p.m.
Tuesday, February 7	Public Work Session I	7:00 p.m.
Tuesday, February 14	Public Work Session II	1:00 p.m.
Thursday, February 16	Public Work Session III	7:00 p.m.
Tuesday, February 21	Public Work Session IV (if necessary)	1:00 p.m.

Scheduling

Mr. Kaufman agreed to email several dates to Board members for consideration in scheduling interviews with candidates for the position of Internal Auditor.

Motion to Move into Closed Session

Action: Mrs. Watson moved that the Board meet in Closed Session pursuant to 10-508(a) of the State Government Article of the Annotated Code of Maryland to discuss the acquisition of real property for a public purpose and matters directly related thereto and to identify and discuss possible acquisition of property for future school sites. The motion was seconded by Mrs. Mikulis and approved by the members of the Board (5/0).

Adjournment – The meeting was adjourned by the Chairman at 8:15 p.m.