5:30 p.m. EXECUTIVE SESSION: Under provisions of ORS 192.610 – 192.690, Open Meeting Laws, the Board of Directors will conduct an Executive Session for the following purpose:

To consider the expulsion of a minor student, pursuant to ORS 332.061 (1) (a); and to conduct deliberations with persons designated by the governing body to carry on labor negotiations, pursuant to ORS 192.660 (2) (d).

7:00 p.m. REGULAR BOARD MEETING

TO: Board of Directors

FROM: George Russell
Superintendent of Schools

RE: Reports and Recommendations

III. INTRODUCTION OF GUESTS AND SUPERINTENDENT’S REPORT

Classified Employee Week – Recognition of Classified Employees

VIII. CONSENT GROUP – ITEMS FOR ACTION

1. Approve Supplemental Budget #1 (Staff: Caroline Passerotti)

Action Proposed:
On February 16, 2011, the board is scheduled to approve a supplemental budget for the 2010-11 school year.

Background:
Oregon Revised Statutes 294.480 permits school districts to amend adopted budgets by 1) transferring spending authority within a specific fund or from the General Fund to another fund or 2) changing spending authority by adoption of a supplemental budget.

Discussion:

1. Rationale:
Transactions are proposed to recognize and appropriate revenue not anticipated at the time the budget was developed and to transfer spending authority among appropriations in the same fund. An overview of the transactions is presented below.

2. Options and Alternatives:
The board may approve, reject or modify the supplemental budget as submitted.
Budget Implications:

GENERAL FUND (FUND 100)

Recognition of New General Fund Revenue - $1,778,579
The following proposed transactions recognize new revenue and appropriate the same amount.

a. State School Fund Payments for New Students - $792,332
i. Eugene Education Options - $777,332
   The district has initiated a student retrieval effort in conjunction with its alternative education program. This transaction recognizes revenue associated with 102 students participating in a new Lane Community College partnership and 36 students placed in the Northwest Youth Corps, Wellsprings and Looking Glass Riverfront programs. Funds are appropriated for tuition, books and fees as well as district oversight.

   ii. Looking Glass Intensive Treatment Services Program - $15,000
   This transaction recognizes and appropriates funds for new students receiving services from a new residential treatment program being sponsored by Looking Glass.

b. Transfers from Fleet and Equipment Fund - $728,378
   A change in state law permits these funds to be used to support General Fund expenditures, beginning July 2010. The Instruction Department, North Eugene High School, and Cal Young and Monroe Middle Schools are transferring balances to support instructional programs, IB training, school safety, computer and phone wiring during the 2010-11 school year.

c. State Reimbursement for Transportation Expenditures - $77,135
   The state reimburses school districts for 70 percent of qualifying transportation expenditures. These transactions recognize reimbursement revenues and create budget authority in the same amounts.

   i. Transportation Reimbursement for After School Programs - $40,206
   The district offers transportation services to students who participate in certain after school programs.

   ii. Transportation Reimbursement for Bailey Hill - $36,929
   The Instruction Department provides taxi services to transport students attending the Bailey Hill Instruction Center Alternative Education Program.

d. Charter School Special Education Reimbursement - $70,223
   Other school districts contract with District 4J to provide special education services to non-resident students attending 4J charter schools. This transaction recognizes revenue from Springfield, Bethel, South Lane, Fern Ridge and Pleasant Hill school districts for IEP services provided to students attending Ridgeline Montessori Public Charter School, The Village School, and Network
Charter School. It also creates spending authority to Educational Support Services for services provided.

e. **Tuition Reimbursement - $60,000**
   This transaction recognizes tuition revenue from Bethel School District for students attending the Bailey Hill Instruction Center and appropriates the funds to Instructional Services.

f. **Transfer from Classified Insurance Reserve - $25,000**
   Classified employees agreed to take seven furlough days as a general fund budget reduction measure for 2010-11. However, some Classified employees work the same day as students, and instructional days were reduced only six days. It was agreed that $25,000 in Classified insurance reserves would be used to pay for the seventh furlough day that those employees could not take.

g. **School Summer Program Fees - $15,540**
   This transaction recognizes and appropriates funds received for the 2010 summer session and appropriates a like amount to cover a portion of the summer program expenses.

h. **Reimbursement for ACT Assessments - $9,971**
   The Oregon Department of Education reimbursed the district for expenses incurred in relation to ACT assessments. This transaction recognizes and appropriates these funds.

Requests from Contingency Account - $1,096,410
The adopted budget for 2010-11 established a contingency of $3,413,000, representing $2,513,000 for operating or general contingencies and $900,000 for special education contingencies. The operating contingency represented 1.7% of general fund operating expenditures, below the 2% board target. If approved by the board, the requests below would fully utilize the contingency established to support special education services and draw down the operating contingency by $176,824 to $2,336,176.

a. **Educational Support Services Staffing and Legal Fees - $900,000**
   Additional funds are needed to pay for legal costs and staffing for high needs students and to cover the funding shortfall related to a lower level of funding from Lane ESD resolution services dollars.

b. **Correction of Budgets for Extra Duty Increments for Licensed Staff - $71,884**
   Additional appropriations are required to correct budget allocations for extended contracts for athletic coordinators and media specialists at high schools.

c. **Superintendent Search - $60,000**
   Funds are appropriated to pay for one-time costs incurred as part of the process of recruiting a new superintendent.

d. **Internet Filter - $38,940**
   To continue to be eligible to receive federal e-rate funds, the district is required to have an internet filter that complies with requirements of the Children's Internet
Protection Act. The current commercial internet filter subscription expires this year. Re-appropriation of contingency funds covers the cost of an additional three-year product subscription.

e. Classified Professional Education Program (PEP) Funds - $17,353
   According to the district’s 2008-09 contract with OSEA, unspent professional education program funds are eligible for re-appropriation. This contract expires September 30, 2011.

f. Board Election Costs - $6,000
   The district will incur costs in conjunction with elections for four board positions in 2010-11. To align budget appropriations with actual costs, additional funding is required.

g. Cadre Revenue - $2,233
   This transaction re-appropriates Cadre program revenue and allocates the total for Cadre program activities.

FLEET AND EQUIPMENT FUND (FUND 200)

Transfer from Fleet and Equipment Fund - $728,378
   As described above, a change in state law permits these funds to be used to support General Fund expenditures, beginning July 2010. The Instruction Department, North Eugene High School, and Cal Young and Monroe Middle Schools are transferring balances to support instructional programs, IB training, school safety, computer and phone wiring during the 2010-11 school year. This transaction re-appropriates spending authority to increase transfers to the general fund.

CLASSIFIED INSURANCE RESERVE (FUND 620)

Transfer from Classified Insurance Reserve - $25,000
   A described above, Classified employees agreed to take seven furlough days as a general fund budget reduction measure for 2010-11; however, some Classified employees work the same day as students, and instructional days were reduced only six days. It was agreed that $25,000 in Classified insurance reserves would be used to pay for the seventh furlough day that those employees could not take. This transaction re-appropriates expenditures in the Classified Insurance Reserve to increase the transfer appropriation.

4. Board and Superintendent Goals:
   This recommendation addresses the board goal of providing prudent stewardship of district resources to best support student success, educational equity and choice.

Recommendation:
   The superintendent recommends that the board approve Supplemental Budget #1, recognizing and appropriating revenue not expected at the time the budget was adopted and transferring spending authority to support district operations in the General Fund, the Fleet and Equipment Fund and the Classified Insurance Reserve Fund.
2. **Approve Personnel Items** (Staff: Celia Feres-Johnson)

   The superintendent recommends approval of the personnel items included in the board packet. These cover employment, resignations, and other routine personnel matters.

   Oregon Revised Statutes requires districts to inform probationary teachers and administrators of their future contract status by March 15 of each year. A list of teachers and administrators being nonrenewed and those being advanced to 2nd and 3rd year probationary status and contract status, along with recommendations regarding school nurses and other certificated staff on annual assignments is included in the packet. Temporary teachers and administrators who are recommended for nonrenewal are also included and will be considered for position openings that develop for the 2011-2012 school year.

   The board may adjourn to executive session for matters dealing with employment if it desires to do so. ORS 192.660 (2) (a)

3. **Award of Construction Contract for the Synthetic Turf Athletic Field Replacement** (Staff: Jon Lauch)

   The District received proposals on February 24, 2011 for replacing the synthetic turf surfacing on the athletic fields at Churchill and Sheldon High Schools. The request for proposals required turf similar to that installed at the other district high schools and four middle schools.

   Four proposals were received and were evaluated by a committee made up of the district's project manager, the project architect (gLAs Architects), and the City of Eugene Recreation Manager.

   The price for recycling and/or incineration of the old turf (for power generation) was included as part of the base contract. Maintenance and refill of crumb rubber is also included for the first five years. Proposers also provided a price, based on cost per lineal foot, to replace edge nailers as necessary, and a price per ton to apply additional infill.

   The proposals were evaluated based upon cost (40 pts), manufacturer’s experience and expertise (10 pts), installers experience and expertise (15 pts), product description and performance (20 pts), additional information (10 pts), and insured warranty (5 pts). The proposers are listed in order of ranking with the highest ranked firm listed first.

<table>
<thead>
<tr>
<th>Proposer</th>
<th>Score</th>
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<tbody>
<tr>
<td>ProGrass</td>
<td>90 (out of 100 pts possible)</td>
</tr>
<tr>
<td>A-Turf</td>
<td>89</td>
</tr>
<tr>
<td>Academy / Sports Turf</td>
<td>80</td>
</tr>
<tr>
<td>Domo Sports Grass</td>
<td>0</td>
</tr>
</tbody>
</table>

   Domo Sports Grass was not rated because they submitted samples but did not submit a proposal.
ProGrass submitted a base price of $835,440 for the two fields, which is the lowest price submitted for a complete proposal. The evaluation committee's analysis indicates that the ProGrass proposal was the best combination of quality and price among the products submitted. ProGrass was the only proposal that added an extra two years of warranty against defects in workmanship and materials, which is in addition to the eight years of insured warranty required by the RFP. ProGrass has had several recent installations in the Northwest, including the fields at North and South Eugene high schools last year and two fields in the Bethel School District. ProGrass has received positive recommendations from the Bethel School District, and 4J's experience with ProGrass at North and South Eugene was favorable.

The source of funding currently is from the Sale of Surplus Property Fund (F450). However, if the board approves (and passes) the bond measure election currently under consideration for May 2011, the funding source will be changed to be funded from bond proceeds. The cost of the field replacement project will be shared on a 50/50 basis with the City of Eugene.

The superintendent recommends award of the contract for the Synthetic Turf Package to ProGrass for the base bid price of $835,440.

VIII. ITEMS FOR ACTION AT THIS MEETING

1. **Accept the Comprehensive Annual Financial Report for June 30, 2010**
   (Staff: Mary Nickelson-Hill)

   **Action Proposed:**
   Accept the annual audit report for fiscal year 2009-2010.

   **Background:**
   Oregon statute requires that the accounts and fiscal affairs of every governmental agency be audited and reviewed at least once each fiscal year. In accordance with this requirement, the independent audit firm of Grove, Mueller and Swank, PC has completed the 2009-10 annual audit. The district received an unqualified opinion on the financial statements presented which indicates the auditor believes that the financial statements present fairly the district's financial position in all material respects. Additionally, Board Policy DI directs that the district issue a Comprehensive Annual Financial Report (CAFR). The CAFR was prepared by financial services staff for the period July 1, 2009 through June 30, 2010.

   The District's Financial Policy Committee, including Board member Jim Torrey, met on February 4, 2011 and received the 2009-2010 audit report and letter to management from the audit firm. The District’s independent auditor and financial services staff presented an overview of the report’s contents and responded to questions asked by Committee members. The letter to management contained a few suggestions for improving internal controls in the purchasing and grant oversight areas.

   As part of a memorandum of agreement between the Eugene School District and the Eugene Education Association, the District agreed to report to the Board the difference between budgeted and actual costs for licensed personnel for the 2009-
2010 year. Audited 2009-10 expenditures are compared with the budgeted amounts below.

<table>
<thead>
<tr>
<th>Budgeted</th>
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<tbody>
<tr>
<td>Audited</td>
<td>$48,530,580</td>
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<tr>
<td>Expenditures</td>
<td></td>
</tr>
<tr>
<td>Over</td>
<td>$ 273,377</td>
</tr>
</tbody>
</table>

**Discussion:**

1. **Rationale:**
Sections 297.405 through 297.555 of the Oregon Revised Statutes cover municipal audit law and require an annual financial statement audit of all municipal corporations.

2. **Options and Alternatives:**
The board could choose not to accept the audit report for a specific reason which would require additional work by finance staff and auditors to prepare a report that would be acceptable to the board.

3. **Budget/Resource Implication:**
The CAFR is reviewed by credit rating agencies when assigning credit ratings for issuers of debt obligations. Issuers and debt purchasers rely on credit ratings as an independent verification of credit-worthiness and the resultant value of the instruments issued. Additionally, if a school district does not provide a completed audit to the Oregon Department of Education by December 31st, school fund payments are withheld until one is submitted.

4. **Board and Superintendent Goals:**
The preparation and annual audit of the CAFR meets the Board goal of providing prudent stewardship of district resources.

**Recommendation:**
The superintendent recommends that the board accept the audit report for fiscal year 2009-2010.

**X. ITEMS FOR ACTION AT A FUTURE MEETING**

1. **Approve a Resolution Supporting the City Tax Measure** (Staff: Barb Bellamy)

   **Background:**
   On February 14, the Eugene City Council approved a resolution referring—a temporary city income tax measure to the May 17 ballot. If approved by city voters, the tax would provide revenue for Eugene and Bethel School Districts, specifically to minimize increases in class size and reduce or eliminate instructional furlough days. At the February 16 board meeting, the board approved a motion supporting the tax measure and asked that a resolution supporting the income tax measure be prepared for board consideration.

   Subsequently, the City Council modified the tax brackets and tax rates in the measure, approving an amended resolution on February 22. If approved by voters,
the tax would be paid annually by city residents on income earned between January 1, 2011 and December 31, 2014.

Discussion:
1. **Rationale:** The district is facing a shortfall of $24 million for 2011-12 and ongoing deficits thereafter, based on financial forecasts and expectations of state school funding. Revenue from a city income tax would help the school districts avoid some of the reductions in teaching staff and instructional days that would otherwise occur in order to balance annual budgets. The city income tax is viewed by supporters as a temporary tax that would help fund school operations while a statewide school funding solution is pursued.

2. **Options and Alternatives:** The board could approve the resolution to support the city temporary income tax proposal, choose not to take action on the resolution, postpone action until a future date, or not approve a motion to support the tax.

3. **Budget/Resource Implications:** Based on the revenue estimates provided to the City Council, the tax would provide approximately $12 million per year to the district. The first revenue from the tax would be received in May 2012. The district would receive about 50 percent of the annual revenue, approximately $6 million, at that time and the remaining 50% would be received in October 2012.

4. **Board and Superintendent Goals:** This action is related to the board’s goal of student achievement and stewardship of district resources, specifically related to the sustainable budget key result: By 2014-15, the district will implement a sustainable budget strategy that maintains reserves at or above board targets minimizes the use of one-time funds for ongoing expenses, optimizes the use of short-term resources to improve student achievement, and increases operational efficiency while reducing long-term capital needs.”

A copy of the resolution approved by the City Council on February 22 and of the draft ballot title is included in your packet. A resolution supporting the tax measure will be drafted by a board member and distributed at the March 9 meeting.

**Recommendation:**
No recommendation. Oregon law prohibits the superintendent from advocating for or against a ballot measure.

2. **Approve a Resolution Placing a $70 Million Bond Measure for Capital Improvements on the May 2011 Election Ballot**  
(Staff: Jon Lauch & Caroline Passerotti)

**Action Proposed**
Approve a resolution to submit to voters at the May 17, 2011 election a $70 million bond measure to:

a) fund capital improvements to school facilities, including remodels/additions to several schools
b) off-load general fund operating costs for building upgrades and repairs,
c) upgrade technology systems, and

d) provide a broad range of support for changes in delivery of instruction as required for larger class sizes, distance learning, space modifications, advances in instructional technology, and qualifying instructional materials.

Background
The bond measure is being considered at this time as one element of the superintendent's recommendations to move the district toward a sustainable operating budget as outlined in the Board Goals. The proposed bond measure will provide some immediate general fund relief and take pressure off of limited existing capital reserves. It also will continue to move us along the path set forth in the Long-Range Facilities Plan adopted in 2002 by addressing our existing building needs.

While the 2002 Long-Range Facilities Plan charted the course for school building replacement, this bond measure proposal does not include any replacement buildings. The replacements of one middle school and one elementary school have been removed from the $130 million proposal originally considered for this bond cycle.

Since the board supports the temporary city income tax measure, which is also on the May 2011 election ballot, it seems that a more modest capital bond measure may increase the likelihood that both measures will be approved.

Discussion
1. **Rationale**: State funding for education does not adequately provide for ongoing funding for capital infrastructure beyond daily maintenance and repair. Most, if not all, Oregon school districts depend on bond funding to provide for the initial cost of facilities and to provide for the ongoing costs of capital systems replacements and upgrades, rather than to further strain limited operating budgets for infrastructure. As buildings and their components age, the ongoing maintenance costs and frequency of repairs increase. Systematic replacement and upgrade of critical building elements is necessary in order to prevent the escalation of maintenance costs, to reduce operating costs, and to extend the useful life of the building.

The Long-Range Facilities Plan prescribed the cycle of capital bond measures required to upgrade and replace the district's aged facilities, so placing a bond measure before the voters is clearly consistent with the course charted with the approval of the Long-Range Facilities Plan (in 2002). Additionally, recent legislation has provided the opportunity to bond for capital repairs, including exterior painting, which were previously prohibited. Therefore, there is an immediate opportunity to provide some general fund relief by utilizing bond funds to provide for those functions.

Beginning with the $74 million bond measure approved in 1992 and coupled with the $116 million bond measure approved in 2002, the district has been both “playing catch-up” from deferred maintenance of previous decades and making significant progress toward improving the overall condition of facilities. Past bond funding has allowed us to make significant progress in improving the safety and security of the school facilities through the replacement and upgrade of fire alarm systems, security systems and site security improvements, intercom systems,
card access systems, and to reduce operating costs through the implementation of numerous energy conservation measures. There is still on the order of $200 million in identified capital infrastructure needs for existing facilities. The proposed bond would permit the most critical needs in this inventory to be addressed.

2. Options and Alternatives: Options and Alternatives that were reviewed and considered include deferring the bond measure to November 2011 or later, increasing the amount of the bond measure, and decreasing the amount of the bond measure.

May Election – Pros and cons of a May 2011 election

Pros:
- The district is authorized to receive $15 million in federally funded Qualified School Construction Bonds if a May 2011 measure is approved by voters. The QSCB funds are projected to save taxpayers approximately $23 million in interest costs over the life of the bond.
- Voters would be asked to maintain their current level of financial support for school district capital improvements, by filling a small reduction (gap) in taxes that will otherwise expire later in 2011. The property tax rate for 4J would not increase from the current level.
- Critical capital needs can be paid with bond measure funds rather than draw on existing reserves, using general fund dollars, or deferring needed repairs and upgrades.
- The bond measure would provide immediate relief to the general fund by “off-loading” roughly $1 million annually for building repair and upgrades for a six-year period.
- Experienced capital improvement program staff would be retained, avoiding layoff and “rebuilding” the staffing at a later date.
- Projects scheduled for the 2011 construction season could be funded with bond revenue rather than $2.73 million in capital reserves.
- School repairs, remodels and upgrades could move forward more quickly, improving learning environments for our students while also engaging private sector work through construction contracts.
- Allows 4J voters that live outside the City of Eugene to consider a measure that would help fund school district needs next year.

Cons:
- Because the City of Eugene temporary income tax for schools is on the May ballot, city voters may see the measures as competing and choose to support one or the other. As a result, one or both measures may fail.
- Gaining voter approval for any tax measure may be difficult during a down economy.
November Election – Pros and cons of deferring a bond measure to November 2011 or later

Pros:

- City of Eugene voters could focus on a single tax measure for schools on the May ballot, the temporary city income tax for schools.
- The board could increase or adjust the amount of the bond measure for a November election, if desired, as the deadline for submitting a measure to voters is September 8.

Cons:

- $15 million in federally funded Qualified School Construction Bonds is not likely to be available, as these funds will probably be depleted, if other school districts are successful in passing bond measures in May. The QSCB funds are projected to save voters approximately $23 million over the life of the bond.
- Voters will be asked to increase their tax support for 4J bond debt. Taxpayers will experience a small drop in their property taxes for bond debt on tax bills for the 2011-12 tax year. If a bond measure is approved in November 2011, the tax would be levied beginning in 2012-13 with tax bills that arrive in October 2012.
- Critical capital needs will need to be funded from existing capital reserves until exhausted and from the general fund. Further deferring capital system replacement and upgrades will increase the magnitude of future capital liability for years into the future.
- There would be no relief or benefit to the general fund until the 2012-13 year as there would not be any bond measure revenue to “off-load” roughly $1 million annually for building repair and upgrades.
- Experienced capital improvement program staff may not be retained, which would require “rebuilding” the program later.
- Projects scheduled for the 2011 construction season could not be funded from bond proceeds, thereby reducing the existing capital reserves by about $2.7 million to fund these projects.
- 4J voters that live outside the City of Eugene would not have an opportunity to vote for a measure that would help fund school district needs next year.

The amount of the bond measure could be increased to at least $130 million without increasing property taxes at this time. However, increasing the bond measure could increase the likelihood of not passing the income tax measure. I believe that the $70 million amount achieves the best balance between addressing our current and projected needs and reduces the perception of competition with the income tax measure. The $70 million amount also balances the capacity of the voters to bond the debt without increasing property taxes and still provides a reasonable cushion to address capital needs in the relatively near future.

Reducing the amount of the bond to less than $70 million would require deferring critically needed capital systems upgrades. To do so would not keep us on the path of reducing operating and maintenance expenses associated with replacing and upgrading aging building components and systems.
3. **Budget/Resource Implications:** If the proposed bond measure is approved it will have a favorable impact on the general fund budget in three ways by:
   - Directly reducing general fund expenditures by providing a mechanism to "off-load" $6 million of repair and upgrade functions ($1 million annually for six years).
   - Reducing operating costs through implementation of energy conservation measures.
   - Keeping maintenance costs from escalating by replacing/upgrading failing capital systems and building components.

The bond measure will also take the pressure off of dwindling capital reserves by providing a more stable funding source for capital improvements. If the bond measure is deferred or does not pass, resumption of general fund transfers to capital funds will eventually be necessary in order to sustain a minimal program of capital improvements.

4. **Projects to be Included in the Bond Measure:** A detailed project list has been included in your packet. In general the $70 million bond would provide:

   - **Capital systems replacements/improvements - $44.4 million**
     Roofing, plumbing, heating, electrical, fire alarms, safety/security, paving, energy conservation measures, etc.

   - **Additions and remodels - $10 million**
     This includes projects at Adams, Camas Ridge and Willagillespie elementary schools and also includes a $4 million consolidation/reconfiguration allowance for future actions which could include a possible addition to McCormack Elementary School. Restroom upgrades at multiple schools are also included.

   - **Repair and building improvements currently in the General Fund operating budget (General Fund relief) - $6 million**
     Shift $1 million per year of funding for some repair and building improvements from the General Fund operating budget to bond funds, relieving the General fund of these expenses.

   - **Technology - $6.8 million**
     Technology infrastructure upgrades, telephone system replacements, new student data information systems and classroom technology.

   - **Instructional Systems Support - $2.1 million**
     This includes support for changes in delivery of instruction as required for larger class sizes, distance learning, space modifications, classroom instructional technology, and instructional materials.

   - **Potential Real Property Acquisition - $0.7 Million**
     The district has discussed the potential acquisition of some property that adjoins existing school sites, in order to provide more flexibility for school replacement at these sites in the future.
Costs for bond issuance, construction contract administration and project management are included in the above numbers.

A certain amount of flexibility for project modification and reallocation of funds will be required in light of future processes including the Stakeholder Task Force which will review and make recommendations regarding grade level reconfiguration. The District has a history of reallocating bond resources when circumstances warrant, while still maintaining a high level of integrity of the program consistent with commitments to the voters. One example is the reallocation of resources toward seismic upgrades following a series of earthquakes in the state that seriously damaged some (non-4J) school facilities. All significant modifications and/or reallocation of bond funds have in the past been and in the future will be processed with the Board.

5. **Board and Superintendent Goals:** The bond measure is consistent with the Board Goal to “**Provide prudent stewardship of district resources to best support student success, educational equity and choice.**” And directly relates to the following Key Results:

1. **In 2010-11, the district will determine a timeline for a capital bond measure in 2011 or 2012 and will take final actions on the disposition of Civic Stadium through the RFP process.** (emphasis added)

2. **By 2014-15, the district will implement a sustainable budget strategy that maintains reserves at or above board targets, minimizes the use of one-time funds for ongoing expenses, optimizes the use of short-term resources to improve student achievement, and increases operational efficiency while reducing long-term capital needs.** (emphasis added)

As previously stated, the bond measure is being considered at this time as one element of my sustainable budget strategy recommendations. The bond measure will reduce long-term capital needs and increase operational efficiencies. The bond would also provide immediate relief to the general fund as a result of repair and improvement function off-load, and will reduce pressure on existing capital reserves. Capital investment in our school facilities also has a favorable impact on teaching and learning environments which can enhance the educational experiences and ultimately impact student achievement.

**Recommendation(s)**

The Superintendent will be recommending approving the resolution to place a $70 million bond measure on the ballot for a May 17, 2011 election. You are scheduled to take action at your next meeting on March 16 as the deadline for the election filing is March 17.

A copy of the resolution and the Notice of District Measure Election will be in your red folders at the March 9 board meeting.
**Calendar for Board Members**

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuesday, March 8</td>
<td>Executive Session</td>
<td>11:30 am</td>
</tr>
<tr>
<td>Tuesday, March 8</td>
<td>Executive Session</td>
<td>7:40 pm</td>
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<tr>
<td>Wednesday, March 9</td>
<td>Executive Session (tentative)</td>
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<tr>
<td>Wednesday, March 9</td>
<td>Executive Session</td>
<td>5:30 pm</td>
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<tr>
<td>Wednesday, March 9</td>
<td>Regular Board Meeting</td>
<td>7:00 pm</td>
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<tr>
<td>Wednesday, March 16</td>
<td>Regular Board Meeting</td>
<td>7 pm</td>
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<td>Wednesday, April 6</td>
<td>Regular Board Meeting</td>
<td>7 pm</td>
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<tr>
<td>Wednesday, April 20</td>
<td>Regular Board Meeting</td>
<td>7 pm</td>
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<tr>
<td>Tuesday, April 26</td>
<td>ACE Awards - Valley River Inn</td>
<td>5:30 pm</td>
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</table>

*Hold for spring Board Retreat (date to be selected after mid-March):*

- Friday, April 15 afternoon and Saturday, April 16
- Friday, May 20 afternoon and Saturday, May 21