



**GOVERNING BOARD AGENDA ITEM
AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10**

DATE OF MEETING: **September 24, 2019**

TITLE: **Public Meeting Pursuant to A.R.S. §15-481(Y) to Provide Update on Programs
Financed through the 10% Maintenance and Operations Override**

BACKGROUND: Arizona Revised Statute (“A.R.S.”) §15-481(Y) requires a public meeting be held annually between September 1 and October 31 when a school district has a voter-approved budget override in place in order to enable public comment about the override. According to A.R.S. §15-481(Y), the public meeting must include “an update of the programs or capital improvements financed through the override” and public comment must be permitted at the meeting. This agenda item is being presented to permit the Governing Board to comply with the requirements of A.R.S. §15-481(Y) since Amphitheater Public Schools has a 10% general Maintenance and Operations (M&O) budget override in place.

This Board Agenda Item provides an update about the 10% M&O override that is currently in place. It focuses only on this year which is why it does not address the Prop 476 K-3 Special Programs override that will be considered by voters this November 5, 2019 that seeks an additional 3.5% override Kindergarten through Third Grade budget to: (1) pay for free all-day kindergarten throughout the District (thereby freeing up Title 1 funds for other student interventions for all elementary grades), and (2) reduce kindergarten through third grade class sizes to maximum student numbers of:

- Kindergarten - 25 students
- First Grade - 25 students
- Second Grade - 26 students
- Third Grade - 27 students

I. 10% General M&O Override

According to the recent U.S. Census Data released May 21, 2019, Arizona ranks 48th of the United States in per pupil funding¹. The Census Summary Report notes that Arizona schools rely heavily on non-state funding sources and specifically noted, “[w]ithin public school systems, New Mexico (14.4%), Mississippi (14.1%), Alaska (14.0%), Arizona (13.7%) and South Dakota (12.8%) received the highest percentage of their revenues from the federal government.” According to the National Center for Education Statistics, Arizona has not funded its public schools at the national state average since the 1980s.² Arizona then “slipped to ‘bad’ and then to ‘worse’, becoming one of the lowest funded public education systems in the country, on a per-pupil basis” where it remains today.

In the early 2000’s, Amphitheater Public Schools made the decision to request voters to approve a general M&O override after significant study and survey of the District’s electors. The Governing Board first studied the override election process on April 29, 2001. In the months and years that followed that first study, the Board continued to study relevant issues on several occasions, including legal requirements, procedural issues, and the purposes for overrides. Community members were surveyed and support given in favor of the overrides. In 2005, the voters of the Amphitheater Unified School District put a 10% M&O override in place to enable students

¹ US Census Bureau. (2019, April 19). Annual Survey of School System Finances. Retrieved from <https://www.census.gov/programs-surveys/school-finances.html>
² ARIZONA RANKS 49TH IN EDUCATION FUNDING – HOW DID WE GET HERE? (2019, May 22). Retrieved from <https://azcharters.org/arizona-ranks-49th-in-education-funding-how-did-we-get-here/>

who attend Amphitheater’s schools greater opportunities than those provided generally by the State of Arizona. The Amphitheater community renewed the override in 2009 and again in 2014.

The current 10% M&O override is a seven-year override. This means that the voters approved putting a budget override in place to allow Amphitheater Public Schools to exceed the standard Revenue Control Limit (the amount that Arizona authorizes each school district to spend to educate the students of that district) by 10% for seven years. Given this, the M&O override is in place for school years (“SY”) 2015-2016 through 2019-2020 and then will begin to phase out over a two-year period.

The Governing Board has approved that an election be held this November 5, 2019 to permit voters to consider whether to extend the M&O override for five more years. If the current override is not renewed by the voters this November 5, 2019, it will begin to phase out during this school year and fully expire in the 2021-2022 school year. Below is what the “phase out” for Amphi’s current general M&O override model will look like unless the voters renew it on November 5, 2019:

- * 2015-2020: Full amount of override.
- * 2021: 2/3 of override.
- * 2022: 1/3 of override.
- * 2023: Override is over; no budget increase remains; back to regular state budget

II. Amount of the 10% M&O Override

The current general 10% M&O override helped Amphitheater through the approximate \$107 million dollar cuts to state funding for school districts that the state made between 2009 – 2018. Through the voter-approved budget override, Amphitheater was able to provide these same benefits to its students despite the significant budget cuts that occurred during the past decade.

For SY 2019-2020, the override authorized Amphitheater Public Schools to spend an additional \$7,854,501. This amount was based on the enrollment during the 2018-2019 school year. Because this additional funding was provided to Amphitheater by the voters as a budget override vote, this funding can only be used, as the voters approved, for costs approved as part of the override vote. Those costs and programs are discussed in detail below.

III. Programs Funded Through the Current 10% M&O Override

The current override provides the following benefits for students:

A. Class Size Reduction

Before voters put the override in place, class sizes at the elementary level were routinely at or over 30 students. The current general M&O override permits the District to add additional staff, in schools where grade level sizes are larger, and reduce the number of students in a class at that grade level. During SY 2019-2020, funding through the 10% M&O override provided for an additional 8.8 elementary classroom teachers. This Board Agenda Item provides an update about the 10% M&O override that is currently in place. It focuses only on this year, which is why it does not address the Prop 476 K-3 Special Programs override, that will be considered by votes this November 5, 2019, that seeks an additional 3.5% override Kindergarten through Third Grade budget to: (1) pay for free all-day kindergarten throughout the District (thereby freeing up Title 1 funds for other student interventions for all elementary grades), and (2) reduce kindergarten through third grade class sizes to maximum student numbers of:

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In middle school, English and Writing classes previously ranged up to 35 students and Math and Science classes were as high as 38 students. Through the override, an additional 2.4 middle school classroom teachers were provided at middle schools.

Before the override, high school English, Math, and Science classes similarly exceeded 35 students. Through the override, an additional 3.2 high school classroom teachers were provided this year at the high schools.

B. Dedicated Certificated Teachers to Teach Art in Elementary Schools

The M&O override permits the District to provide a certificated art teacher at every one of its elementary schools. This year, the funding provided for a full-time art teacher at each of the District's twelve (12) elementary schools and two (2) K-8 schools. This provided for 3.9 art teachers.

C. Dedicated Certificated Teachers to Teach Music in Elementary Schools

The M&O override permits the District to provide a certificated music teacher at every one of its elementary schools. This year, the funding provided for a full-time music teacher at each of the District's twelve (12) elementary schools and two (2) K-8 schools. This provided for 4.0 music teachers.

D. Dedicated Certificated Teachers to Teach P.E. in Elementary Schools

The M&O override also permits the District to provide a certificated physical education teacher at every one of its elementary schools. This year, the funding provided for a full-time physical education teacher at each of the District's twelve (12) elementary schools and two (2) K-8 schools. This provided for 3.4 physical education teachers.

E. Advanced Learning Programs and Elective Courses at Middle School

Through the override, Advanced Learning and Elective Courses have been added at each middle school. This provided for 13.5 education teachers. Course offerings: included Career Exploration, Fine Arts, Science, Programming, and Technology.

F. Advanced Learning Programs and Elective Courses at High Schools

The general M&O override also funds additional Technology, Science, and Fine Arts electives in the high schools. The additional courses provided through the override included: Studio Art, Computer Science, Engineering, French III and IV, Music Theory, Advanced Placement Psychology, Advanced Placement Environmental Science, Academic Challenges, and Teen Court. This provided for 8.4 education teachers.

G. Tutoring and Intervention Programs

The general M&O override also funds tutoring and other intervention programs to serve students throughout the school year and into the summer. These programs include items such as the PATH Program at Amphi High and the licensing of intervention software. This provided for 1.1 employees, in addition to, funding additional hours for tutoring.

H. Amphitheater Public School Employee Compensation Enhancement

The override provides additional funding to enhance compensation for certificated and classified personnel in the District to remain competitive to hire the best teachers for our students. This benefit provided by the current override is important for the District to compete against private employers and charter schools to obtain trained professional staff. Currently, most staff receive an increase of approximately three percent (3%) to their base salaries through the funding provided by the general 10% M&O override.

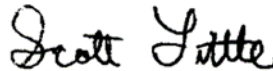
I. Added Technology Positions to Remain Current with Technology Changes

The override made possible the hiring of two Maintenance Tech II positions in our Facilities Department and a Programmer Analyst in the Technology Department, to better enable the District to maintain facilities and our growing technology demands.

RECOMMENDATION:

This item is presented to the Board to comply with the requirements of A.R.S. §15-481(Y) by holding a public meeting for Administration to provide an update of the programs, or capital improvements financed through the 10% M&O override and to permit public comment during the public meeting.

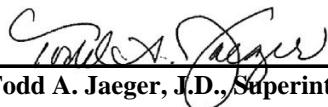
INITIATED BY:



Michelle H. Tong, J.D.,
Associate to the Superintendent and General Counsel

Date: September 19, 2019

Scott Little
Chief Financial Officer



Todd A. Jaeger, J.D., Superintendent