

## Public School Finance Task Force Meeting Minutes

December 20th, 2023 10:00 AM - 2:00 PM

[Link to Live Stream Meeting](#) | [SB23-287](#)

**Task Force Members Present:** Alex Magaña, Brenda Dickhoner, Carrie Zimmerman, Chuck Carpenter, Dan Snowberger, Deborah Hendrix, Kathy Gebhardt, Jennifer Okes, Kermit Snyder, Leslie Nichols, Lisa Weil, Marty Gutierrez, Riley Kitts, Sarah Siegel, Sarah Swanson, Steven Bartholomew, Terry Croy Lewis

**Task Force Members Absent:** Marc Carey, Craig Harper, Nick Plantan

**Facilitator & Support:** Nick Stellitano – Dillinger Research & Applied Data, Patrick Gibson - CT School State Finance Project, Jennifer Okes - Chief School Operations Officer, Amy Carman - Executive Director of School Finance & Grants, Yolanda Lucero - Fiscal Data Coordinator

### Welcome and Norms Review

- The Task Force Facilitator, Nick Stellitano, commenced the meeting at 10:09 AM MST and welcomed task force members and guests. Nick Stellitano provided a brief overview of today's agenda, reviewed technical etiquette, and reviewed the guidelines for interaction, deliberation and collaboration.
- Nick Stellitano provided an update on the task force project plan and reviewed the tentative plan for the reviewing and completing the task force report in January 2024.
- The Task Force Chair, Chuck Carpenter thanked the task force members for their effort and engagement throughout this process.
- Chuck Carpenter reviewed the remaining task force charges, and the vote tallies for each approved recommendation.

### Scenario Review & Discussion

- Patrick Gibson reviewed the new funding formula scenarios developed for the task force, and reviewed the impact of increasing the base amount on total program funding.
- Task force members asked questions about the size factor cutoffs, district characteristic factors.
- Task force members shared their thoughts on the developed scenarios and impacts on students and districts.
- Task force members discussed the recent Joint Budget Committee (JBC) meeting and mission of the task force.
- Task force members discussed the total cost of the scenarios, how the cost of task force proposals has changed over time, and the consideration of a hold harmless for districts projected to lose funding.
- The task force members discussed revisiting the recommendation to increase the at-risk weight to at least .31 that was adopted last task force meeting..

### Recommendation Review/Refinement/Finalization

- Nick Stellitano reviewed today's plan for adopting recommendations, and the process for decision making for the task force.
- Nick Stellitano previewed the draft recommendations concerning the size factor created for the task force for today's meeting.

- Task force members discussed the draft recommendations created for the presentation, and the impact of changes to the eligibility for the factor by student count.
- Dan Snowberger nominated Recommendations 1 and 3 on the slide for adoption.
  - *Motion: Recommend utilizing the current size factor calculation, but remove the size factor benefit for districts educating 1,027 students or more. Recommend having districts receive weights based on their NCES classification: Rural: Remote = 0.25, Rural: Distant = 0.2, Rural: Fringe = 0.15, Town: Remote = 0.1, Town: Distant = 0.05, Town: Fringe = 0.025.*
  - The motion was seconded by Deborah Hendrix
  - The motion was open for discussion.
    - Leslie Nichols motioned to amend the language to expand size factor eligibility to include districts educating up to 3,000 students.
    - The subsidiary motion was seconded by Kathy Gebhardt.
    - *Subsidiary Motion: Recommend utilizing the current size factor calculation, but remove the size factor benefit for districts educating 3,000 students or more. Recommend having districts receive weights based on their NCES classification: Rural: Remote = 0.25, Rural: Distant = 0.2, Rural: Fringe = 0.15, Town: Remote = 0.1, Town: Distant = 0.05, Town: Fringe = 0.025.*
    - Nick Stellitano called for a roll call vote.
      - The subsidiary motion failed by a vote of 6 for, against 10, 1 absent.
  - The task force discussed combining versus separating recommendations on different district characteristics.
  - Kathy Gebhardt motioned to amend the language to solely include the remoteness recommendation.
    - *Subsidiary Motion: Recommend having districts receive weights based on their NCES classification: Rural: Remote = 0.25, Rural: Distant = 0.2, Rural: Fringe = 0.15, Town: Remote = 0.1, Town: Distant = 0.05, Town: Fringe = 0.025.*
    - The subsidiary motion was seconded by Alex Magana.
    - Nick Stellitano called for a roll call vote.
      - The subsidiary motion failed by a vote of 7 for, 9 against, 1 absent.
  - The task force discussed the definitions for NCES classifications.
- Nick Stellitano called for a vote on the combined Recommendation 1 and 3.
  - *Motion: Recommend utilizing the current size factor calculation, but remove the size factor benefit for districts educating 1,027 students or more and incorporating a remoteness weight having districts receive weights based on their NCES classification: Rural: Remote = 0.25, Rural: Distant = 0.2, Rural: Fringe = 0.15, Town: Remote = 0.1, Town: Distant = 0.05, Town: Fringe = 0.025*
  - The motion passed by a vote of 11 for, 5 against, 1 absent.
- The task force took a 5 minute break at 11:45 AM.
- Nick brought the task force back at 11:50 AM.
- Nick reviewed the adopted recommendation for cost of living, and previewed the draft recommendations created for the task force.
- The task force discussed the draft cost of living recommendations, the contours of asking the legislature to explore cost of doing business, and possible caps on the cost of living factor.
- The task force identified specific districts that were impacted by the high cost of doing business in Colorado.
- Dan Snowberger motioned to move Recommendation #2 for a vote.
  - *Motion: Recommend the legislature explore establishing additional or alternative factors, including a potential Colorado based “cost of doing business” factor, that account for the*

*additional costs of districts to hire and retain staff and the increased costs of basic business needs. Additional or alternative factors should be revisited and updated periodically as a result of adequacy studies.*

- The motion was seconded by Kathy Gebhardt.
- Nick called the vote by roll call.
  - The motion passed by a vote of 16 for, 0 against, 1 absent.
- Brenda motioned to bring the recommendation for a cost of living cap of .1 to a vote.
  - *Motion: Recommend establishing a cap of 0.1 to the cost of living factor.*
  - The motion was seconded by Dan Snowberger.
  - Alex Magana motioned to amend the language of the recommendation to include a cost of living factor of .15, rather than .1.
    - *Subsidiary Motion: Recommend establishing a cap of 0.15 to the cost of living factor.*
    - The subsidiary motion was seconded by Lisa Weil
    - Nick called for the vote by roll.
      - The subsidiary motion failed by a vote of 8 for, 8 against, 1 absent.
  - Lisa Weil motioned to amend the motion language to not define a specific value of the cap. (remove .1).
    - *Subsidiary Motion: Recommend establishing a cap to the cost of living factor.*
    - The subsidiary motion was seconded by Kathy Gebhardt.
    - Nick called the vote by roll call:
      - The motion failed by a vote of 7 for, 9 against, 1 absent.
  - The task force continued to discuss the value of a specific cap versus language that calls generally for a cap.
  - Steven Bartholomew motioned to amend motion language to establish a minimum cap of .1 to the cost of living factor.
    - *Subsidiary Motion: Recommend establishing a minimum cap of 0.1 to the cost of living factor.*
    - Seconded by Riley Kitts
    - The subsidiary motion passes by a vote of 12 for, 4 against, 1 absent.
- Nick called for a vote by roll call of the amended motion:
  - *Amended Motion: Recommend establishing a minimum cap of 0.1 to the cost of living factor.*
  - The motion passed by a vote of 11 for, 5 against 1 absent.
- The task force took a 5 minute break at 12:41 PM.
- The task force returned at 12:46 PM.
- Nick Stellitano reviewed the progress to date on formula phase-ins and hold harmless, and previewed the draft recommendations prepared by the task force.
- Patrick Gibson reviewed the possible phase-in of the formula and what that could look like.
- Task force members discussed the pros and cons of phase-in timelines, and benefits and drawbacks of holding districts harmless.
- Task force members discussed removing or adjusting timelines for phase-in regarding the draft recommendations.
- Task force members created additional recommendations.
- Dan Snowberger motioned to adopt Recommendation #4:
  - *Motion: Recommend phasing in changes to the new formula for no longer than a 4 year time period utilizing hold harmless.*
  - The motion was seconded by Terry Croy Lewis.

- Nick Stellitano called for a vote by roll call:
  - The motion is adopted by a vote of 15 for, 0 against, 2 absent.

### **Process Plan & Outline for Report**

- Nick Stellitano reviewed the proposed outline for the task force report.
- Task force members discussed the process for finalizing the report and creating minority reports on specific recommendations.
- Task force members and Nick Stellitano discussed the process for creating and incorporating the minority reports for specific task force recommendations.
- Task force members and Patrick Gibson discussed the inclusion of district runs and spreadsheets in the final report.
- Nick Stellitano identified the authors of the specific minority reports.
  - Kathy Gebhardt volunteered to author the MLE minority report.
  - Lisa Weil volunteered to author the at-risk minority report.
  - Lisa Weil volunteered to author the size factor minority report.
  - Leslie Nichols volunteered to author the cost of living cap minority report.

### **Next Steps & Closing**

- Nick Stellitano covered the next steps for the task force including inquiring the feasibility of conducting a task force meeting or other working session in January, and coordinating with the authors of the minority reports.
- Chuck Carpenter thanked task force members and facilitation team for their work reviewing materials and participating in discussions.
- Nick Stellitano adjourned the meeting at 1:47 PM MST.