

DUBUQUE COMMUNITY SCHOOL DISTRICT

Board Work Session

November 30, 2015

President Donohue called the meeting to order at 3:02 p.m. at the Forum with the following members present: Barton, Beytien, Donohue, Prochaska, Ryan, Siegert, Wittman. Additional officers of the Board present: Lucas, Rheingans. Executives present: Devaney, Kelleher, Kramer.

Moved (Ryan) and seconded (Prochaska) to approve the agenda as submitted, with the following change: Item VI Budgets was moved before the Facilities Plan Update. Motion carried 7-0.

Moved (Siegert) and seconded (Beytien) to approve the agreement with IIW, P.C. for the Eisenhower School Gym Roof Replacement Project. Motion carried 7-0.

Moved (Ryan) and seconded (Prochaska) to approve the contract with Music Theatre International for Jefferson Middle School Play Rights. Motion carried 7-0.

Superintendent Rheingans discussed the financial position of the district, reviewing the current state of school funding in Iowa. The recent years of historically low school funding at the state level have not matched the three to four percent cost increase the district sees on an annual basis. Like districts across the state, this shortfall has required tapping into district reserves (unspent balance) to fill the gap in expenses. Because of prudent financial management, our healthy financial position has allowed us to weather funding shortfalls for a number of years – longer than many other districts. In the long run, however, it is not sustainable. Last year, steps were taken to minimize the impact of low funding. Prior to the start of this fiscal year, the district reduced its budget by approximately \$2,185,000 with an early retirement incentive, not filling some positions that were vacated, and reducing district and school budgets by 20 percent. But with a mere 1.25 percent increase in supplemental state aid (compared to an over 3 percent estimated cost increase), the reductions were essentially a neutral budget move. Moving into next year, the district will again be looking at ways to reduce the budget. While the amount of any reductions is still unknown because we don't yet know our funding from the state, we expect budget reductions somewhere in the range of \$2.5 to \$5 million. This represents between about 1.9 and 3.9 percent of the overall budget.

The facility plan was reviewed. Superintendent Rheingans asked the board to put the project to replace the district pool on hold for the time being. A proposed rules change by the Iowa Department of Revenue will lower the amount of sales tax collected by the state, thus lowering the amount of one-cent sales tax dollars available to school districts. The full impact needs to be considered before committing these dollars.

President Donohue declared the meeting adjourned at 6:08 p.m.

Joni Lucas, Secretary
Board of Education