



Budget Development and Input Committee Meeting Minutes

October 2, 2019; 9:00 a.m.

Central Administration Office – Board Room

Present: Chair Brent Seaks, Superintendent Shon Hocker, Board member Jason Rodakowski, and Business Manager Kent Anderson. Also present: Naomi Obrigewitch

Called to Order – The meeting was called to order at 9:00 a.m. by Chair Seaks.

Additions/Deletions to Agenda Items – No additions or deletions

Old Business – No old business

New Business

School Psychologist Position: Dr. Hocker informed the committee that the district currently has three psychologist positions budgeted for the current school year and he would like to add an additional psychologist for a total of four. **The Committee agreed to recommend the board approve Dr. Hocker’s request to add one additional school psychologist for a total of four school psychologist positions to the current budget.**

School Psychologist intern/MTSS Coordinator Positions: Dr. Hocker reported to the committee that of the three current school psychologist positions, only two are filled and one short-term option to address the shortage would be through an intern/MTSS coordinator process. These positions would not have to be permanent positions, but would be hired with the intention of transitioning them to a school psychologist once they become certified. They would have the capabilities of a school psychologist, but cannot do testing. **The Committee members indicated their support of this proposal.**

New Elementary School: Business Manager Anderson reported to the Committee that the district had received a land proposal from Dave Kitzan as a possible site for an elementary school and he shared the location and specifics of the proposal with the Committee members. Dr. Hocker stated that RSP & Associates had recently been hired to provide the district with updated growth estimates and that information would be helpful to have as possible elementary school sites are considered. Discussion was had about the land the district currently owns that is east of Dickinson Middle School. Consensus was to wait until the information is available from RSP before making any budget adjustments related to a potential new elementary school.

Amended 2019-2020 Budget and Certificate of Levy: Mr. Anderson referred the committee members to the Amended budget information he had distributed and stated that he and Dr. Hocker had reviewed new revenue and expense information since the preliminary budget was filed and are

recommending that the board amend the preliminary budget. Mr. Anderson also reported to the board that Senate Bill 2255 which was approved during the most recent legislative session gives school districts the authority to increase or decrease its tax levy and budget for the current fiscal year if filed with the county auditor by October 10th.

Mr. Anderson noted the largest difference between the preliminary budget and the proposed amended budget was early redemption of \$3,310,000 of debt related to the construction of Prairie Rose Elementary. Mr. Anderson noted that paying off this debt early, which became redeemable August 1, 2019, would save approximately \$500,000 in annual debt service payment commitments for the next several years and also save cumulative interest expense of over \$300,000. Mr. Anderson also reported that the projected Oil & Gas Production tax revenue is greater than what was included in the preliminary budget and the proposed amended budget reflects an additional \$600,000 of Oil & Gas Production tax revenue with 100% of these additional funds being posted to the Capital Projects Fund. Mr. Rodakowski asked if there were any restrictions on how the Oil & Gas Production tax revenue is allocated between funds and Mr. Anderson responded that there are no restrictions on these funds and the school board can split between general fund and capital projects fund expenditures as they see fit.

Mr. Anderson also stated that the proposed amended budget reflects the district adding 12.0 Miscellaneous Mills to its mill levy which would generate approximately \$1,800,000 and approximately 2/3 of this levy impact on the taxpayers would be offset with a reduction in the proposed Sinking & Interest levy from 29.62 mills to 21.62 mills. Mr. Rodakowski noted that this offset is not sustainable in future years as it will use some cash reserves currently in the Sinking & Interest fund to make the 2019-2020 DMS debt payments. Mr. Anderson concurred and reported that the Sinking & Interest fund currently has approximately \$3.0 million of reserves and this offset would use approximately \$1,232,000 of those reserves.

Consensus of the committee was to recommend the board approve the Amended 2019-2020 budget as proposed, with \$52,465,659 of General Fund expenditures, \$7,246,871 of Capital Projects Fund expenditures, \$8,171,634 of Sinking & Interest Fund expenditures, \$1,700,000 of Food Service Fund Expenditures and filing an Amended Certificate of Levy for \$17,497,829 (113.62 total mills).

Adjournment – At 10:21 a.m., Chair Seaks declared the meeting adjourned.