



Budget Development and Input Committee Meeting Minutes

November 30, 2017; 3:30 p.m.

Central Administration Office – Board Room

Present: Board Vice President Brent Seaks (Chair), Board President Sarah Ricks, Superintendent Douglas Sullivan, and Business Manager Kent Anderson. Also present was Director of Instruction Melanie Kathrein, Mrs. Twila Petersen, and Mr. Iain Woessner from The Dickinson Press.

Called to Order – The meeting was called to order at 3:30 p.m. by Chair Brent Seaks.

Additions/Deletions to Agenda Items – There were no additions or deletions to the agenda.

Old Business – There was no old business topics for discussion.

New Business

Berg Elementary Concepts – Superintendent Sullivan distributed copies of the Berg Planning Team’s proposed remodeling for Berg Elementary. The items on the handout in the red boxes are the suggestions from the DLR Group when moving forward with phase I of the remodeling. Dr. Sullivan asked the Budget Committee to review the document and ask questions as the District tries to establish a budget for the project. If the Budget Committee establishes a budget, then that budget would be proposed to the Board. After the Board’s approval of the budget, the administration would like the school board to consider a Construction Management At Risk (CMAR) for the project. Dr. Sullivan said the amount he was requesting for phase I of the remodel of Berg Elementary was \$3.5 million. He noted there are variables to keep in mind such as supplies, curriculum for the classroom with an estimate of \$12,000-\$15,000 per classroom, and the playground at an estimate of around \$150,000. Dr. Sullivan explained they would try and stay within the \$3.5 million but it may be necessary to come back to the Budget Committee as the numbers are not concrete. The amounts were based on Mortenson Construction’s walkthrough on the basic concept.

President Ricks referenced the superintendent’s request for phase I. She inquired if there would be a phase II. Dr. Sullivan responded that would be a topic for discussion at a later date. Dr. Sullivan explained there were things that were recommended for remodeling but were then removed, such as a media center at Berg. The long-range facility plan suggested replacing the HVAC at the Berg building; however, there are some new guidelines coming out for governmental agencies that will affect HVAC systems in the future. The valves on the radiators in the building will continue to be checked. On page 2, there are some recommended masonry maintenance and joints, repair window seals, etc. that could possibly be included in the major projects list that is maintained by the District. Due to the list of items not on the handout, it is possible the District may ask for more funds for additional items and that is why the request is for phase I.

Vice President Seaks understood the projection for Berg and knew there would be funds needed. He felt the number one goal is that Berg is safe for the students and it is functional. He noted that there

had been discussions about doing some things more innovative to the Berg facility. He asked what the committee felt regarding the request for doing creative things with the building. Dr. Sullivan responded there are creative things on the table and already incorporated into the proposal in certain places. One example is the office area upstairs will be converted and the walls will be opened up to become a flexible learning space possibly for grades 3-5. The Berg Planning Team teachers felt that given the size of the elementary classrooms, the teachers in Berg's K-2 could do some creative learning activities within their classrooms and did not need to open up walls to the hallway. The teachers felt that opening those walls would be too distracting to the students. There are still conversations going on at the committee level about movable walls in some of the classrooms. The decision about the flexible learning space in the office area is something that the committee is very interested in and the movable walls is still a topic the planning committee is discussing.

When looking at the proposal, Vice President Seaks felt there were two points to consider. The District knows that it is going to need more space for the growing enrollment and funds are needed to make the renovations. With the high school growth, it will be a similar situation at the high school. He felt the District was fortunate to have some capital improvement funds available. When setting the budget, he felt the focus was on the needs first and then look at resources and how they may be utilized. President Ricks clarified that the administration was asking for \$3.5 million in order to start the CMAR process. Dr. Sullivan responded that was correct and added not only the CMAR process but also the DLR Group moving forward on a drawing. He added the \$3.5 million is for the infrastructure and does not include professional fees.

Vice President Seaks said knowing that funds are available to do the request and there is flexibility to prioritize accordingly, he felt the amount was reasonable at this point. President Ricks concurred. There was discussion how this would proceed to the Board meeting. Dr. Sullivan explained he did not have a suggested motion for the Board meeting. Now that there is a recommendation from the Budget Committee, he will prepare a motion for tonight's Board meeting.

2018-2019 Staffing – Superintendent Sullivan said there has been discussion regarding staffing in preparation for the 2018-2019 school year. Through those discussions, a needs assessment was completed by the Cabinet members. From the needs assessment, three areas were prioritized at the top. Those three areas are: an additional assistant principal at Dickinson High School, providing another counselor at Dickinson High School, and third was expanding the school resource officer program by hiring another school resource officer for the District. Additionally there will be staffing needed for Berg when it reopens. The list of requests for Berg includes a principal, 8-10 classroom teachers, a counselor, a librarian, special education, Title I Look alike, and a social worker. The District would need to consider one additional FTE social worker in the K-5 buildings to try to expand the social services. Other areas that will need to be covered at Berg include speech language, gifted and talented, English language learners, music, arts, and physical education. There are also classified positions requested which include custodial services, kitchen help, an administrative assistant, a library paraprofessional, a technology paraprofessional, special education paraprofessionals, and general education paraprofessionals.

Other areas where staffing is needed includes two FTE kindergarten teachers based on the speculation of a larger kindergarten class next year. The kindergarten preregistration in February will be a good indication of the fall kindergarten enrollment. Dr. Sullivan also recommended additional administrative support for Mrs. Martinson. The Board has had conversations about hiring a technology director. Rolling the student population forward, the District will need four additional

FTEs in the K-5 classrooms. With the reopening of Berg, those four may not be necessary. Dr. Sullivan also would like the Budget Committee to consider a teacher on special assignment or an assistant principal at Lincoln Elementary and Jefferson Elementary. Dr. Sullivan noted that Mrs. Martinson has informed him another teacher will probably be needed at the Early Childhood Center and additional occupational therapy services. There has been a request from the principals at Dickinson High School and Dickinson Middle School for nine positions. Dr. Sullivan has asked those principals to review the possibility of doing some shared positions to reduce that number. Business Manager Anderson has done a preliminary estimate based on these requests and the estimate came in around \$3 million for all of those positions. The budget is being reviewed to see if that is feasible. Dr. Sullivan said he wanted the Budget Committee to be aware of these requests and the conversation will continue with the principals and directors.

Superintendent Sullivan requested from the Budget Committee that the administration be authorized to proceed with the three priorities established by the needs assessment and to also move forward with the positions necessary for certified staff and classified staff with the reopening of Berg.

Vice President Seaks referenced the needs assessment from last year and inquired regarding the process for establishing the needs assessment. Dr. Sullivan responded that it goes to the Cabinet level and each Cabinet member ranks the list. Out of the 13 items on the list, those were the three that ranked highest by the Cabinet. Vice President Seaks inquired if this was a larger number than anticipated. Superintendent Sullivan responded that it was larger and that he was looking in the area of \$2 million. As explained in previous meetings, the middle school was staffed for 790 students and it opened with 846 and now it is down to around 837. More students came to the high school than what was anticipated. There are more students in grade 3 than what was anticipated. Those third grade class sizes are beyond the recommended in most classrooms so additional paraprofessionals have been hired keeping with the guidelines.

Consensus of Vice President Seaks and President Ricks was to authorize the administration to move forward with the hiring plan based on the top three positions identified by the needs assessment and also with the hiring plan for certified staff and classified staff for the reopening of Berg.

2018-2019 Classified Salaries – Business Manager Anderson noted last November the Budget Committee discussed parameters for possible increases for classified salaries. He listed the increases by category for 2017-2018. Mr. Anderson shared that his experience is more percentage increases vs. flat rate. He took the flat raises from last year and applied percentages. Within the ranges of the categories, there are some employees that have brought in experience. The \$1.25 increase actually ranges from 4.1% to 7.5% for employees. The \$1.00 per hour increase ranges from 3.9% to 5.5%. The \$.75 per hour ranges from 3.5% to 5.5%. He noted it was not a small disparity on the percentage basis. The Budget Committee has approved flat amounts for the past couple of years. Mr. Anderson is more used to a cost of living or a more equitable approach. He asked for some feedback regarding the preference of the Board representatives. Dr. Sullivan explained that the Budget Committee in the past has asked for some different kinds of models to be brought back to the Budget Committee. Vice President Seaks remembered he had shared with the committee what he had done at the Camp which was a combination of a flat and a percentage. There is not one perfect way without pros and cons. He would be open to new ideas and new models that would reward for good work, motivate, and retain the employees. His suggestion was to keep that in mind when working the models. President Ricks added to be a bit creative and build a little recruitment in classified versus retention and consider what is the bigger issue with the District. Dr. Sullivan

agreed with President Ricks particularly trying to avoid losing employees. President Ricks suggested bringing forward some proposals with the overall cost to the District for the Budget Committee to review. Dr. Sullivan asked if the Budget Committee had parameters to consider when bringing back some proposals. No parameters were noted. President Ricks suggested some proposals be brought forth for consideration of the Budget Committee. Vice President Seaks concurred.

Bonding Capacity – Business Manager Anderson stated he had put together some information about the District’s debt capacity at the request of Superintendent Sullivan from the discussions regarding a potential new elementary school and possible high school renovation. Mr. Anderson noted based on the current assessable valuation, the District’s total debt capacity is \$84.1 million and total current debt is \$65.4 million leaving approximately \$18.7 million available. The debt capacity limit for the school district as per the state constitution is 5% of the total assessed valuation. Superintendent Sullivan also had requested that Business Manager Anderson research options for increasing the district’s debt limit given projected enrollment growth and facility needs. Mr. Anderson reported that the school board may place a resolution on a ballot of any regular or special election asking the voters to increase the debt limit from 5% of assessed valuation to 10%. Mr. Anderson noted that the School Board also has the option to dedicate some or all of the building fund levy to debt payments. Currently the district has just over 2 mills of the 10 mill building fund levy obligated to debt payments. The school board could also put to a public vote a request to increase in the building fund levy. The maximum building fund levy is 20 mills.

Vice President Seaks clarified, with the Board’s approval, it could request an increase of an additional 5% of the total assessed value and add another \$84 million to the bonding capacity which would require a vote of the community. This would not increase the taxes. Vice President Seaks felt this would be something that should be discussed with the Board and explored as soon as possible. President Ricks concurred and added she thought it would be wise to have in place as soon as possible. Dr. Sullivan said the administration was asking the Budget Committee if this would be the appropriate time to have the discussion at a Board meeting and if it is the right time, to go to the community and consider increasing the bonding capacity for possible future projects presenting the community information that the bonding capacity does not increase the taxes. That would give a future school board flexibility to be able to address the facility needs projected for the school district. It is important to note that increasing bond indebtedness will still require community approval. Vice President Seaks noted it would be important to explain to the community so they understood this potentially confusing topic.

Other – There were no other topics for discussion.

Adjournment – At 4:11 p.m., Chair Seaks declared the meeting adjourned.