

**REGULAR MEETING
SIOUX CITY COMMUNITY SCHOOL DISTRICT
EDUCATION SERVICE CENTER
MARCH 23, 2009—5:30 P.M.**

| | | |
|--------|--|------|
| I. | Call to Order | 1 |
| II. | Pledge of Allegiance | 1 |
| III. | Approval of Agenda | 1 |
| IV. | Good News—Preschool | 1 |
| V. | Citizen Input | 1 |
| VI. | Consent Action Items | 1 |
| VII. | 28E Agreement for Developmental Services at Spalding Park | 1 |
| VIII. | Request for An Easement | 2 |
| IX. | Elementary Language Arts Purchase | 2 |
| X. | Summer School Schedule and Fee Structure for Summer 2009 | 2 |
| XI. | Awarding of the Fire Alarm and Emergency Lighting for EHS | 2 |
| XII. | Technology in Curriculum | 3 |
| XIII. | Hewlett Packard Grant | 3 |
| XIV. | Recommendation for a New Early Retirement Window | 3 |
| XV. | Recommendation for an Early Retirement Incentive | 3 |
| XVI. | Board Member Reports | 3-4 |
| XVII. | Future Meetings | 4 |
| XVIII. | Superintendent's Report | 4 |
| XIX. | Discussion/Information | |
| XX. | A. Board Policies | 5 |
| XXI. | B. First Proposal of Superintendent's Fiscal year 2010 General | 5-11 |
| XXII. | Fund Budget | |
| | C. Final Recap of Other Budgetary Funds Including Student | 11 |
| | Activity Funds | |
| XXIII. | Adjourn | 11 |

**REGULAR MEETING
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MARCH 23, 2009—5:30 P.M.**

Call to Order

President Batcheller called the regular meeting to order at 5:30 p.m. Present: Directors Batcheller, Grupp, Johnson, Meyers, Mounts and Warnstadt. Absent: Director Daane.

Pledge of Allegiance

Approval of Agenda

Director Mounts moved and Director Batcheller seconded the motion to approve the agenda. The motion carried 6-0.

GOOD NEWS: Preschool

Jean Peters introduced Kim Burrack, director of the Irving Preschool. Kim then introduced Garrett, Bella and Diego who attend Irving Preschool. The children brought pictures depicting what they'd like to be when they grow up. Kim invited the board to the "Week of the Young Child" celebration on April 21 at Long Lines from 5 to 7 p.m. This celebration is being held to increase public awareness of early childhood education.

Citizen Input

There was no citizen input received.

Consent Action Items

Director Warnstadt moved and Director Johnson seconded the motion to approve the minutes of the March 9, 2009, board meetings; the Human Resources Report and the Finance Report. The motion carried 6-0.

28E Agreement For Developmental Services at Spalding Park

Director Mounts moved and Director Grupp seconded the motion to approve the 28E agreement for developmental services between the City of Sioux City and the Sioux City Community School District for the property known as Spalding Park. The motion carried 6-0.

Request for An Easement

Director Meyers moved and Director Johnson seconded the motion to set a hearing date of April 6, 2009, at 6:00 p.m. local time, to receive public input on the request by Alltel for an easement run a fiber optic cable from the north right-of-way of the City's property on Fargo Avenue up to within 500 feet of the Woodbury County radio tower. The motion carried 6-0.

Elementary Language Arts Purchase

Director Meyers moved and Director Johnson seconded the motion to approve the purchase of *Good Habits, Great Readers* comprehensive literacy resources and assessments at a cost of \$626,900.81 to support implementation of the elementary Language Arts curriculum.

Director Warnstadt moved and Director Mounts seconded the motion that we table the elementary language arts purchase until our budget is certified. Sandy Heimgartner, Bryant Elementary School instructor who was a member of the selection committee, stated that she lives in Hinton and is open enrolling her daughter to Sioux City as she truly believes we are here for the kids. Chris Erickson, Lincoln Elementary School instructor, was also on the selection committee and feels this program will be of great benefit to our children. He pleaded with the board to make a choice for the kids. The motion to table the elementary language arts purchase failed 4-2 with Directors Grupp and Warnstadt voting yes.

The motion on the original motion carried 5-1 with Director Warnstadt voting no.

Summer School Schedule and Fee Structure for Summer 2009

Director Mounts moved and Director Johnson seconded the motion to approve the proposed summer school schedule and fee structure for the summer 2009 programs held at our middle and high schools: \$70 for middle school remedial program; \$85 plus \$35 book fees for high school credit recovery and work-ahead program and \$25 per course for extended year program. The motion carried 6-0.

Awarding of the Fire Alarm and Emergency Lighting for East High School

Director Warnstadt moved and Director Mounts seconded the motion to award Thompson Electric the fire alarm and emergency lighting base bid for East High School in the amount of \$163,270.00. The motion carried 6-0.

Technology in Curriculum

Director Grupp moved and Director Johnson seconded the motion to approve the overall concept for write up into the Microsoft Settlement Plan. The motion carried 6-0.

HP Grant

Director Mounts moved and Director Johnson seconded the motion to approve the seeking of a \$270,000 Hewlett Packard grant which focuses on outfitting eight math, science and Project Lead the Way instructors and students with 21st Century tools and training. The motion carried 6-0.

Recommendation for a New Early Retirement Window

Director Mounts moved and Director Grupp seconded the motion to approve a new early retirement window for this school year (March 24-31). The motion carried 6-0.

Recommendation for an Early Retirement Incentive

Director Mounts moved and Director Johnson seconded the motion to approve the offering of an early retirement incentive of one month's salary to target areas where programs are being eliminated or in areas where significant staffing reductions are needed and replacements will not be required. The motion carried 6-0.

Board Member Reports

Director Warnstadt: Attended North High Schools presentation of "Seussical the Musical" and it was excellent.

Director Meyers: Reported that he and President Batcheller visited the Central Kitchen. He said that where the food is kept and prepared on the second floor, everything is very tidy and sanitary, etc. On the first floor, parts of the roof were falling in. In the basement walls were weak and the electrical system was in poor condition. All in all, it was a very interesting visit. He said this made the case that we need to do something with that facility.

Director Johnson: Reported that he had attended the ICN session at East High School regarding legislative issues. The superintendent and other board members attended as well.

Director Mounts: Reported that there are 18 nominees, with 6 from the Sioux City Community School District, vying for the Morningside Alumni Teacher of the Year. She reported that at the NAIA Tournament the Zumba Dancers from Irving Elementary School and the West High School Dance Squad performed.

President Batcheller:

- Read several items of good news from around our district.
- Stated that Troy Thomas has asked that we schedule two special board meetings for this Friday at 11 a.m. and April 30 at 8:00 a.m. to deal with the geothermal issues for the Smith-Everett replacement elementary school.
- Reported that on March 25, President Batcheller, Paul Gausman and Director Johnson will travel to Des Moines for the Sioux City UEN Lobby Day.
- Informed the board that on March 31 from 7 to 9 p.m. there will be an ICN session

Future Meetings

- ✧ The next meetings of the Board Finance and Facilities Committee are scheduled for noon on March 31 and April 7 and 21, 2009, in the Education Service Center.
- ✧ The next meetings of the Communications Committee are scheduled for March 31 and April 30, 2009, at 4:00 p.m., in the Education Service Center.
- ✧ The next meeting of the Board Policy/Human Relations Committee is scheduled for April 9, 2009, at 3:00 p.m., in the Education Service Center.
- ✧ The next meeting of the Equity Committee is scheduled for April 21, 2009, at 11:45 a.m., in the Education Service Center.
- ✧ The next meeting of the Finance Oversight Committee is scheduled for April 27, 2009, at 8:00 a.m., at 613 Pierce Street.
- ✧ The next meeting of the Student Achievement Committee is scheduled for April 30, 2009, at 12 noon, in the Education Service Center.

Superintendent Gausman's Report

Dr. Gausman stated that he usually doesn't comment on the Human Resources Report but because the Chief Financial Officer works so closely with the board, he wanted to bring to their attention the fact that Gordon Winterlin will take over as Chief Financial Officer on July 1, 2009, when William Stoneburg retires.

Discussion/Information

Board Policies

Superintendent Gausman presented Board Policies 181.11—Electronic Equipment and Services usage; 502.8—Corporal Punishment/Physical Restraint; 504.12—Student Medication Administration; 504.13/AR504.13—Head Lice; 605.3—Student Retention; 605.4—Graduation Requirements; 204—Meetings of the Board—delete as combined with 204.10—Meetings of the Board and Order of Regular Board Meetings; 681.11—Summer School Instruction; 602.10—Talented and Gifted and Delete AR602.10; 602.12—Religion Based Exclusion From School Program; 680.10/AR680.10—Grants—Application; 681.19/AR681.19—Teaching Controversial Issues; 201.1—President-Vice President; 1003.1—Citizens Requests for Information and 1004.2—ICN Room Use Regulation. Consensus was that these be presented on April 6 for final action.

First Proposal of Superintendent's Fiscal Year 2010 General Fund Budget

Dr. Gausman stated that the budget was a very challenging process this year. It has been long and tedious. We are in a place where we have some unknowns, yet we have to certify our budget by April 15 even if we don't have this information prior to April 15.

Dr. Gausman presented a history of our challenge which is listed below:

- The district has a projected budget shortfall of over \$5 million.
- The shortfall has been compounded by an across the board cut by the Governor this school year.
- This cut was a one-two punch since the cuts were made for economic downturns that also affected the district; and at this point there is only a 2 percent increase in allowable growth for next school year, which equates to less money than we received this school year.
- Additionally, the district has been utilizing reserves to keep us going for a number of years. We must stop the rate of spending reserves to keep us solvent for the near future.
- This budget problem is not unique to Sioux City Schools. Just as businesses across the country experience challenges, the downshift in the economy is hurting us as well. We must respond to these challenges.
- We must be fiscally responsible to our taxpayers by bringing the school board a balanced budget without the use of reserves. This will set us up for long-term success.
- The state requires us to certify our budget by April 15.

- Two key factors that have not been determined also play into our budget. They are (1) the settlement with the Sioux City Education Association and (2) the federal stimulus money. There is much uncertainty regarding the stimulus money in regards to timeline of delivery, total amount, and spending restrictions that may be attached.
- We have processed and developed our budget *line by line* to look at all areas where we can save money and make changes while sustaining our educational system strength.

Dr. Gausman presented the priorities for our challenge as follows:

- Thoroughly communicate our challenge and our action; focus on understanding the challenge with our internal and external stakeholders.
- Bring our board and our district/community a balanced budget to provide long-term success.
- Design any potential programmatic reductions for maximum efficiency—having as little impact as possible on the overall educational plan.
- Effectively model for our students and community how to work through challenging life situations.

| <u>General Fund</u> | <u>No General Fund Tax Rate Increase</u> | <u>Property Tax Rate Increase of 3.38%</u> |
|---|---|---|
| Revenue | \$132,178,172 | \$133,333,330 |
| Less Expenses: | | |
| Salaries & benefits | 110,826,080 | 110,826,080 |
| Shift of Expenses-Gen to Management | (950,000) | (950,000) |
| | 109,876,080 | 109,876,080 |
| Non Personnel Expenditures with new efficiencies built in | 27,672,914 | 27,672,914 |
| Less: General Supply, Material and Equipment Reductions : | (513,826) | (513,826) |
| Less: Major Programmatic Reductions: | (3,016,711) | (3,016,711) |
| Total Expenditures: | 134,018,457 | 134,018,457 |
| Net Excess of Expenditures over Revenues: | \$ (1,840,285) | \$ (685,127) |
| Potential Staffing Reductions: | \$1,840,285=35 | \$685,127=13 |
| Balanced Budget: | \$ 0.00 | \$ 0.00 |

Dr. Gausman said that how we get through this is everything for our district and community.

The superintendent outlined programmatic reductions as follows:

Item: ***Head Teacher Duty Reorganization***

- We have reorganized the structure of the head teachers to maximize efficiency and focus on instructional effectiveness.
- Head teachers will fulfill their duties in one period a day, half a day, or a full day based on content area.

Estimated Cost Savings: **\$130,738**

Item: ***Summer School Reorganization***

- In the past we have not charged students for credit recovery or extended year at the high school level. We will now charge for those services, and continue to charge for work-ahead summer school programs.
- We are reorganizing the middle school summer school to maximize efficiency.

Estimated Cost Savings: **\$143,042**

Item: ***Driver's Education Reorganization***

- Driver's education will only be offered during summer months.
- Driver's education will still be offered at all three high schools.
- Older students will receive first priority when enrolling in the class.
- Counselors will meet with all students enrolled in driver's education to ensure a smooth transition.

Estimated Cost Savings: **\$150,000**

Item: ***Middle School Staffing Change***

- Recognizing the importance of the team concept for our middle schools that place emphasis on small learning environments; we will rework the staffing of our middle school programming to be more efficient for while maintaining the middle school team approach.

Estimated Cost Savings: **\$832,000**

Item: ***Central Campus Facility Closure***

- The current program for the ILC and Vocational Program Delivery are not as efficient as they could be. This is the first step in our journey toward redesigning our alternative high school to a career academy concept.
- We will transfer the Individual Learning Center students to each high school to create a "school within the school" concept.

- We are working with our high schools, community partners, and now the Central Campus staff to move our vocational programs to our high schools and community agencies.
- We are exploring our options for the location of our ESL offices but we have options available.
- Our TAG offices will be moved to our Unity Elementary School.
- We are working with a community agency to move our Year 13 program into one of their facilities.

Estimated Cost Savings: **\$653,237**

Item: ***Reduction for Curriculum Adoption***

- Through the purchase negotiations process and curriculum design process the Language Arts Committee and our purchasing department were able to reduce the cost of new language arts materials.

Estimated Cost Savings: **\$100,000**

Item: ***Reduction of Secondary Media Specialists (3)***

- We currently have one media specialist for every middle and high school.
- We will now have one specialist for each feeder secondary school “campus.”
- This follows our model currently delivered at the elementary level.

Estimated Cost Savings: **\$212,500**

Item: ***Reduction of Regular Education Paraprofessional Positions***

- Reduce the number of regular education paraprofessional staff.

Estimated Cost Savings: **\$257,280**

Item: ***Paraprofessional Professional Development Savings***

- Dismissing the paraprofessional staff when we have early release time for staff member professional development.

Estimated Cost Savings: **\$ 66,053**

Item: ***Program Efficiency for Middle School Athletics***

- Now that the middle school athletic program is running strong, we are able to eliminate a start-up stipend that was initially built into the program.

Estimated Cost Savings: **\$ 10,000**

Item: ***Elimination of Transportation Safety Position***

- This position was created in 2005.
- Duties will be covered by remaining staff members.

Estimated Cost Savings: **\$ 49,072**

Item: ***Elimination of The Levels Assessment***

- Cost of this assessment has continued to rise.
- We are excited about using a new “Assessment Module” from Pinnacle, which will allow us the same success the Levels Tests presently provides for us. We can create our own common assessments based upon our standards and benchmarks and ITBS/ITED expectations and deliver them through our existing Pinnacle System at any time of the year.
- We will be use Microsoft settlement money to purchase this new “Assessment Module” for the next four years. The cost of this system is half of the Levels Tests cost.

Estimated Cost Savings: **\$ 99,560**

Item: ***Elimination of the District Print Shop***

- It is no longer cost effective to own and operate our own print shop because of advances in technology.
- We will utilize outside vendors, such as the AEA print shop, in a more cost effective manner.

Estimated Cost Savings: **\$ 31,147**

Item: ***Elimination of Funding for the Following Programs***

- IJAG is a state program offered at West High School.
- Kids a Cookin’ by Woodbury County Extension.
- At-Risk Coordinator for Alternative School Programs.

Estimated Cost Savings: **\$ 50,000**

Item: ***Elimination of Brustein & Manasevit Legal Services***

- For a number of years the district has received guidance from the Washington, DC, law firm of Brustein & Manasevit in regards to federal education matters.
- Understanding our financial challenges, the firm has agreed to keep us in their communication loop and only bill if/when services are rendered.

Estimated Cost Savings: **\$ 16,800**

Item: ***Elimination of Two Administrative Positions***

- One central office administrative reduction.
- One building level administrative reduction by creating a dual principal at Roosevelt and Emerson Elementary Schools.

Estimated Cost Savings: **\$204,012**

Dr. Gausman then presented the revenue back-out plan as follows:

- We must prepare ourselves for long-term success.
- Note that state revenue challenges will likely be long-lasting. One time money will not provide on-going solutions.
- Staff reinstatement to provide class-size reduction at all levels.
- Continue to communicate thoroughly with internal and external stakeholders.

The action plan is listed below as reported by the superintendent.

- Continue to work with legislators to understand how our challenges are magnified with the inequity of property tax levies in Iowa.
- Continue to work with our community and staff for greater understanding.
- Continue to make a positive impact on enrollment, as this provides a significant solution for our challenge.

Dr. Gausman said that property tax inequity is a real challenge for our district. It's a long-time challenge. If the state could equalize the impact of property tax inequity, it would change our challenge significantly.

President Batcheller asked if there was disagreement among the board members over any of the reductions outlined.

Bruce Lear, SCEA executive director, reported that he had met with the Central Campus staff today. He stated the following: the issue is more than the ILC as it includes the vocational classrooms; doesn't feel there is room in the high schools; has to recognize that we are cutting the programs; vocational instructors have not seen the spaces at the high schools and that it is too premature to close Central Campus. He further stated that the gymnasium is used quite extensively with the district earning \$75,000 per year on rental. Mr. Lear said that we've been through this before; we've weathered it and we will weather it again. He feels this will harm the education of our students. He also feels ILC kids will leave the district and won't go back to the high schools. He said that we should spend from the checking account and the savings account. He believes that the board should let Dr. Gausman get on his feet in order to maintain his credibility before these drastic reductions.

Leslie Dake, president of SCESPA, stated that she disagrees with the reduction of paraprofessionals. She feels there should be more cuts in the Education Service Center. She also stated that she disagrees with the proposed closure of the Central Campus/ILC Program.

John Meyers stated that if we maintain our tax rate most homes would still pay more due to the state roll back.

President Batcheller said raising taxes by 3.38 percent would cost \$54 per \$105,000 house. Dr. Gausman stated that he feels we should publish with the tax increase as if we don't include it, we cannot add it later. If we add it, we can decrease it at a later date.

President Batcheller said that we can have disagreement about how reductions can be made, but something has to go to get us to the \$3 million level. The board needs to decide over the next few days what they wish to do. This is not a pleasant situation for anyone and we will try to do it as honestly and straightforward as we can. We will continue to lobby for property tax equity. His recommendation was that the board accept the administrative proposal of a 3.38 percent property tax increase and he stated that he doesn't do that lightly. We are just beginning to turn the corner in our district.

Director Meyers moved and Director Johnson seconded the motion to approve the publishing of the budget at a 3.38 percent increase. The motion carried 6-0.

Final Recap of Other Budgetary Funds Including Student Activity Fund, Management Fund, PPEL Fund, Sales Tax Capital Projects Fund, Debt Service Fund and the Food Service Fund

William Stoneburg presented the six funds, as well as the timeline we need to follow in order to certify our budget on April 15, 2009.

Adjournment

Director Mounts moved and Director Grupp seconded the motion to adjourn the meeting. The motion carried 6-0, and the regular meeting adjourned at 8:15 p.m.

Douglas K. Batcheller, President
SCCSD Board of Directors

Alexandra B. Sprague, Secretary
SCCSD Board of Directors