

SPECIAL MEETING
Sioux City Community School District
Educational Service Center
May 27, 2010 – 9:00 a.m.

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Minutes: May 27, 2010 – 9:00 a.m.

I. Call to Order/Pledge of Allegiance

President Batcheller called the special meeting to order at 9:00 a.m.

II. Roll Call of Members

Present: Directors Batcheller, Grupp, Johnson, Meyers, and Warnstadt.

Absent: Director Mounts and Williams.

III. Approval of Agenda

Director Grupp moved and Director Warnstadt seconded the motion to approve the agenda. The motion carried 5 to 0.

IV. Citizen Input

No Citizen Input.

V. Discussion/Information

A. 1% Property Tax Levy Rate Increase

Dr. Gausman explained why this agenda item is listed under discussion/information.

Gordon Winterlin presented the first draft of the Final Aid and Levy Worksheet Comparison to Certified Budget – FY2011. His presentation showed data with the tax levy rate increase, as well as data without the tax levy rate increase. Mr. Winterlin stated that the tax rate increase would help replenish our cash reserves.

Dr. Gausman explained the importance of replenishing our cash reserves.

Mr. Winterlin reiterated the importance of replenishing our cash reserves especially with the upcoming budget unknowns in years to come, He referenced board policy 875.1- Unreserved Fund Balance and shared the following scenarios with the board:

- Solvency ratio and fund balance ratio comparison.
- Property tax summary (FY2011 levy rate increased by 1% over FY2010 levy rate)
- Property tax summary (FY2011 property taxes per "final" aid and levy)
- Property tax summary (FY2011 property taxes – levy rate = to FY2010)
- Property Tax Example – FY2011 budget (FY2011 levy rate increased by .82% over FY2010)
- Property Tax Example – FY2011 budget (FY2011 levy rate equal to FY2010)

Director Grupp moved and Director Meyers seconded the motion to take action and rescind the tax levy rate increase.

James VanBruggen, Tax Research Council, shared his view point regarding the rescinding the tax levy rate increase focusing on state aid and contract settlements.

He stated that one of the goals during the budget process was to put 1.5 million dollars back into cash reserves over the next three years and with or without the tax levy rate increase, this goal will still be met. Therefore, this becomes more of a political question than a financial question. After a very lengthy discussion and a split vote, the board voted to rescind the tax rate increase.

Each board member was given the opportunity to voice their comments and concerns regarding rescinding the tax increase.

A roll call vote was taken and the motion failed 1 to 4 to rescind the tax rate increase, with Directors Batcheller, Meyers, Johnson and Warnstadt voting no, and Director Grupp voting yes.

VI. Adjourn

Director Johnson moved and Director Grupp seconded the motion to adjourn the special meeting. The motion carried 5 to 0, and the special meeting adjourned at 9:34 a.m.

Douglas K. Batcheller, President
SCCSD Board of Directors

Cynthia A. Lloyd
SCCSD Board of Directors