

**DAVENPORT COMMUNITY SCHOOL DISTRICT  
ACHIEVEMENT SERVICE CENTER  
JIM HESTER BOARD ROOM  
1606 BRADY STREET  
DAVENPORT, IA 53803  
COMMITTEE OF THE WHOLE  
MONDAY, AUGUST 1, 2016  
5:30PM**

**1.01 Status Report on Central High Construction**

Mr. Mike Maloney provided an update on how a series of events have resulted in a delay in the projected completion date for the new auditorium at Central. The original projected date of completion was October 2016 but this is being changed to February 2017. Factors leading to the delay include a masonry strike, issues with the soils, delay in moving the smoke stack, sanitary sewers and the manhole, “found” conditions, and 124 RFI’s (Request for Information). Regarding the delays due to the masonry strike, Maloney explained a “Demand to Perform” letter was sent on July 25<sup>th</sup> to the masonry contractor and indicating the district does not expect to incur any additional costs due to the strike. They have been in contact with the school’s attorney, Mr. Davidson, on all of the matters. Maloney explained they have categorized risk and anticipate that the estimated risk of additional costs could be \$420,000 to \$502,279. Maloney recommended the contingency budget on a project this large be approximately 8% in the future. DeSalvo requested a copy of the “Demand to Perform” letter. Board members asked additional questions regarding the number of RFI’s, revising the contract to include “performance guarantees”, and how the original percentage for the contingency budget was established. It was indicated that the majority of the delay has been due to the issues with the masonry aspect of the project and Maloney explained the steps they are now taking to increase productivity.

**1.02 Tax Surcharge**

Ms. Marsha Tangen explained the details of an Income Tax Surcharge. Income surtax is a method of funding a district’s Instructional Support Levy or Physical Plant and Equipment Levy. School districts currently have the option to fund these programs through local property tax or a combination of local property tax and income surtax. Funding entirely by income surtax is not authorized by Iowa Code and does not increase spending authority. In Davenport, we have chosen to fund both programs with property tax. Income surtax is paid only on individual income taxes, and is not paid on corporate income taxes. If the rate of income surtax is 5%, it is NOT 5% of total income; it is 5% of state tax liability. For example, if someone’s total Iowa income tax liability for the year is \$2000, then their income surtax at 5% is \$100. For those taxpayers that itemize their deductions, income surtax is deductible from their federal income tax liability. The surtax lags behind property taxes by a year.

Clewell mentioned possible benefits to members of the community and asked board members for their feedback. Board members discussed possible benefits to citizens since it would spread tax burden around to three categories, but there is not much benefit for the district since it doesn't increase spending authority. Johanson asked Tangen for her recommendation and she indicated she would recommend the district start implementing this and would provide more details and information during budget discussions.

### **1.03 Board Belief Statements**

Director Clewell facilitated a discussion on developing revised Belief Statements for the board. He suggested attaching a specific goal to each Belief Statement and board members agreed this was a good idea. This will be further explored at future meetings. Board members agreed that the goals need to be achievable, measureable, realistic and timely and also consistent with DCSD Achievement Goals provided by Dr. Tate. Board members reviewed and eventually revised the current Board Belief Statements to include the following:

We Believe .....

1. All students can and will learn in the Davenport Community School District;
2. Every individual in the Davenport Community School district deserves respect and should be respectful of one another;
3. We must have high expectations for every student and that each student will reach their full potential;
4. In the power of effective teaching which encourages students to be inquisitive and to explore and discover;
5. Every individual in the Davenport Community School District has the right to a safe environment;
6. A caring environment is important for success because relationships impact learning;
7. Extracurricular activities engage students in the educational environment.

Next, the board reviewed the information from Attachment A provided by Mary Jane Vens after the Board Workshop at Credit Island and determined which "Respondent" statements were already included in the revised belief statements and which statements still needed to be included. This will be discussed further at the August 8<sup>th</sup> Regular Meeting.

President Johanson announced the following upcoming meetings:

- Monday, August 15<sup>th</sup> at 5:30PM- "Report on Iowa Assessments", ASC, Jim Hester Board Room. This is an open meeting.
- Monday, August 29<sup>th</sup> at 5:30PM-"Superintendent Evaluation", ASC, Jim Hester Board Room. This is an open meeting.

Meeting adjourned at 8:35PM.

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Mary Correthers, Board Secretary/Treasurer