

**DAVENPORT COMMUNITY SCHOOL DISTRICT
ACHIEVEMENT SERVICE CENTER
JIM HESTER BOARD ROOM
1606 BRADY STREET
DAVENPORT, IOWA 52803
MONDAY, AUGUST 20, 2018
SPECIAL CALL OPEN MEETING**

The Board of the Davenport Community School District in the Counties of Scott and Muscatine, State of Iowa, met on Monday, August 20, 2018 for the Committee of the Whole Meeting. The meeting was held at the Achievement Service Center, 1606 Brady St., Davenport, Iowa, in said District. President Johanson called the meeting to order at 5:30PM. Present: Director's Johanson, Hayes, DeSalvo, Potts, Beck and Mayfield. Gosa participated by phone.

1. Vision 2020

President Johanson explained the purpose of the meeting was for continued discussion concerning board member's preference for Plan A or Plan B. As discussed in several meetings, Plan A includes closing or consolidating a school and Plan B does not. Johanson said that after the last meeting some board members indicated to him that his interpretation the board consensus for Plan B was not accurate. He explained this meeting will provide an opportunity for board members to further clarify where they stand and what plan they prefer and to also review some of the changes made by administration. He emphasized that the board needs to provide clear direction to the Superintendent by August 27th so the budget package can be ready to send to the SBRC (School Budget Review Committee) the first week in September. A decision on whether to close a school for next year would also need to be made by September 10th.

Dr. Tate reviewed the Five Year Budget Plan as of August 20, 2018 which does not include closing a school. The 2018-19 year stays the same. The 2019-20 year numbers reduce the savings from a hiring freeze. Tate stated that when the board decided to do a Superintendent Search he said the new Superintendent needs to make that decision. The other change is reconfiguring of teaching delivery at Keystone Academy. Also included in this year is a footnote that says the following: "*District will continue to discuss the possibility of merging an elementary and middle school to realize savings ranging from \$800,000 to \$1,300,000.*" Tate said the board will need to decide if this statement stays in the plan. The 2020-21 year includes the necessary changes resulting from recommendations stemming from results of the Actuarial Review that was presented at the August Committee of the Whole Meeting. These changes include one insurance holiday rather than two which reduces the savings. This year also includes a 2% increase in health insurance, and a tripling of deductibles, increasing out of pocket expenses by 2.5 times and increasing co-insurance from 10% to 20%. There will also be an increase in the employee share for prescriptions. The 2021-22 and 2022-23 years have negative spending balances due, in part, to projected increases in health insurance costs. Dr. Tate encouraged the board to think about and consider the other ideas and options for budget reductions he included on the last page of the handout.

DeSalvo asked if the final numbers for the 2017-18 fiscal year were ready and if this plan included personnel reductions. Tate stated the personnel reductions are spread out over three year due to attrition and Ms. Wood said she will try to have year-end numbers for 2017-18 ready for the board by the August 27th meeting. Board members asked about reducing substitutes, the negative balances in the last two years and what entities are being considered for outsourcing. Beck asked for more clarification on the

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jump from a 2% increase health insurance to a 12% increase in the last two years. Tate and Ms. Wood provided more details on the recommendations from the actuarial review. Tate also explained they have not identified the entities to consider for out sourcing and are waiting on responses from letters of interest that have been sent. Tate said it potentially be every position in the district. Beck asked about including the consolidation of schools in future years in the plan and DeSalvo voiced concern about this and said she doesn't have enough information to feel comfortable with this idea and is not in favor on closing a school. Gosa said he is not in favor of closing a school and Hayes said she may be willing to leave it on the table for future years. Mayfield said he is not in favor of closing a school

Johanson said he doesn't think the SBRC will approve a plan that includes a balance of negative spending authority and encouraged all board members to attend the SBRC meeting in October. There was continued discussion and questions about the health insurance changes and whether to include consolidation of schools in future budget years. Beck emphasized she understands that consolidation is out of the question for next year, but is strongly in favor of including it in future years. Tate said he could include consolidation in years 2020-21 or 2021-22. There was continued discussion about this option and Johanson asked board members for their feedback on this and whether they would support it. Johanson, Potts, Hayes and Beck said they would support putting consolidation of schools in the plan for 2020-21 and the realization of savings in 2021-22 and DeSalvo, Gosa and Mayfield said they would not support this recommendation.

The meeting adjourned at 7:40PM.

Mary Correthers, Board Secretary/Treasurer