

DMPS Citizens Budget Advisory Committee  
January 10, 2013 6:30-745 pm  
DMPS Administration Building  
901 Walnut, Des Moines, Iowa

1. Intent is that this committee represents all districts of the DMPS. There were 16 participants in this evening's meeting:

Tom Arnhart, DMPS Supt  
Joyce Bruce, Former Administrator  
Mark Cooper, Union Rep  
Rose Green, Parent of Elem Student  
Thomas Harper, CFO  
Bill Howard, DMPS Board  
Joe Jongewaard, DMPS Board  
Nick Lenhardt, Comptroller DMPS  
Todd Jacobus, Secy, HHS Parent  
Ed Linebach, President, NHS Parent  
Jay Radcliffe  
Shane Schulte  
Michelle Smith, EHS Parent  
Gretchen Tegler, Taxpayers Assoc  
Marc Wallace, Goodrell Parent  
Skeet Wootten, Art

2. Thomas Harper recruited people to participate in this Committee, who represent large stakeholders groups, including taxpayers and labor, and all parts of the DMPS District.

3. Ed Linebach elected President of Committee. Todd Jacobus elected Secretary of Committee.

4. Discussion of dates / timeline.

- a. 14 Jan 2013, Legislature convenes.
- b. 15 Jan 2013, Budget planning and devel
- c. 19 Feb 2013, CBAC present at DMPS Board Meeting on FY 2014 Budget Priorities
- d. 12 Mar 2013, CBAC present at public forum
- e. 2 Apr 2013, Board Adoption and Certification of FY 2014 Budget
- f. 15 Apr 2013, Statutory deadline to submit FY 2014 County for Certification

5. Thomas Harper informed committee that this group was initially convened due to budget challenges, including significant deficits. We have no idea of allowable growth, how the I-GOV's education reform will impact, or the effects of sequestration. There are currently many unknowns, so intent is to have this group prepared to advise accordingly.

6. This group is established to ADVISE the superintendent in terms of priorities and the use of limited resources.
7. Handouts that will be discussed, or referred to during this meeting include:
  - a. Handout #1 – Budget Parameters from DMPS Board, 2 Pgs
  - b. Handout #2 – Citizens Budget Advisory Committee Mission & Membership, 1 Pgs
  - c. Handout #3 – Staffing Levels in Des Moines Public Schools, 35 Pgs
  - d. Handout #4 – CBAC Meeting Agenda – 1 Pg
  - e. Handout #5 – Citizens Budget Advisory Committee (January – June 2012 Summary), 1 Pg
  - f. Handout #6 – DMPS FiscalYear 2013 Projection Compared to Original Budget General Fund, 1 Pg
  - g. Handout #7 – DMPS FY 2010-17 General Fund Budget ASSUME 0% Allowable Growth, 1Pg
  - h. Handout #8 – DMPS FY 2010-17 General Fund Budget ASSUME 2% Allowable Growth, 1 Pg
  - i. Handout #9 – Important Dates to Remember CBAC, 1 Pg
  - j. Handout #10 – DMPS Board Parameters to CBAC, 2 Pgs
  - k. Handout #11 – Des Moines Public Schools 2013 Legislative Priorities, 4 Pgs
  - l. Handout #12 – Urban Education Network of Iowa 2012-13 Issue Brief – 8 Pgs
  - m. Handout #13 – CBAC First Meeting Sign-In Roster – 1 Pg
8. DMPS had highest enrollment increase in the State of Iowa, as calculated in Oct 2012. At same time, DMPS has many "sick" schools, and the grants directed towards these schools are going away.
9. This committee has had an advocacy and community engagement function, as well.
10. Thomas Harper reported that from a 50,000 foot level, schools are funded based on total number of students enrolled. We get \$6,069 per student in the District. We get additional weight for ELL students, Special Education students, Drop-Out Prevention; these are called "silos", and the resources in these silos must be spent for their intended purposes.
11. DMPS Board cannot determine levels of property tax. \$5.40 in property tax goes to DMPS.
12. The DMPS Board can affect the cash reserve levee. The Comprehensive Annual Financial Report is a 178 page document, and it paints a very good picture of where the funds come from. (Last one of these I found online has an ending date of 30 Jun 2011).

13. The State sets the amount of funds allowable per student. The State also sets the tax constraints. There is not a lot of flexibility; need to figure out how to make the pieces fit.

14. Over 82% of DMPS revenue goes towards salaries.

15. The I-GOV top priority is to reform commercial property tax. I-GOV would like to see no allowable growth, but instead tie increases to something else, perhaps inflation.

16. Our largest federal funding stream, aside from Special Education, is Title 1. Not sure of the effects of sequestration on Title 1. We rely on these funds heavily.

17. Last year, the gap we needed to close was at \$2.8M.

18. Our FY13 budget foundation formula is based on FY 2012 student count. So, we don't see an increase in revenue based on enrollment until the following year.

19. Discussion of budget based on 0% and 2% allowable growth. In FY 2012, actual numbers showed \$23,099,451 surplus. In 2013, we are projected to have an \$11,721,000 surplus. We really need to be prepared to speak to the significant surplus. There are many factors that impact this.

20. It is important to note that the \$23,000,000 in surplus is basically three weeks worth of operating budget.

21. Discussion of solvency rate. Industry standard says that we should have 17% solvency rate. Last year, DMPS was making efforts to get to 8%.

22. Thomas Harper stated that they did a staff study, and bench marked DMPS with other similar districts. When we benchmark, DMPS was in great shape from a class size standpoint. We now have opportunity to consider selective areas, and make selective investments. THIS is an area where this Committee could definitely weigh in. There is a lot of data in terms of staffing patterns. We have always had around 1,500 teachers, and around 2,800 staff. These numbers have not fluctuated significantly in the last 10 years. We increased by 1,200 students in last two years. AND, we cut counselors, music and art teachers.

23. Concern of Superintendent is that any changes we make need to be done in a very thoughtful manner. We want to restore what has been cut IF it makes sense to restore them. The DMPS is in a better place to know where those places are. Need insight from members of the Committee, who represent the District, as we work through these.

24. In the past, we've looked for areas to consider cuts. Are there savings associated with transitioning to geothermal, and other energy related efficiencies? We need to know this.

25. Make sure to read the "Staffing Levels in Des Moines Public Schools, analysis of Personnel and Expenditures" by the Council of Great City Schools.

26. We have more students open enrolling OUT than open enrolling IN to the District. We need to look at the reasons that students are interested in leaving the district. Quite plainly, many do so in order to avoid diversity.

27. Vast majority of DMPS employees live outside the District.

28. Would like to see an assessment from the Superintendent in terms of the dynamics of the district - where we are finding deficiencies, and where we are finding opportunities. This needs to include where we'd like to focus resources for moving the needle on student performance.

29. There are 6 schools that have received school improvement grants. These are three year grants, and by next year these funds will go away. There are 30 positions funded by the grant. There has been very positive growth at EACH of these schools, and need to figure out how to continue to resource them. We don't want to lose the FTEs, but will lose the funding source.

30. Discussion on meeting attendance. When only a few people can make the meetings, they definitely lose value.

31. Discussion on openness of the meetings. Consensus is that we need to be transparent to our community. However, agreed that we need input from those who are willing to consistently participate so that they come with a common operating picture established during sequential meetings.

32. Next meeting will take place on January 17, 2013, 6:30 pm, at .901 Walnut Street. Tom Ahart will provide an overview to the group of examples, and strategic ways on how we place instructional staff.

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