

**Adel DeSoto Minburn Community School District
Joint Meeting with City of Adel Council Members
Adel Public Library Meeting Room, Adel, Iowa
June 26, 2017
6:00 P.M.**

Present:

Absent:

Tim Canney

Kelli Book

Bart Banwart

Rod Collins

Kim Roby

Superintendent Greg Dufoe

Secretary Nancy Gee

The Adel DeSoto Minburn School Board and the Adel City Council met together in open session for the purposes of discussing the City's Residential Tax Abatement program. President Canney started by saying the school district will continue to educate students the best way possible even when there are events that are out of our control. He hopes the city and the school can find a win-win solution with controlled growth.

Superintendent Dufoe presented information pertaining to the school district and how the school district is being impacted. He started by saying that the school is not "anti-growth" but the rapid rate of growth may present some challenges in the years ahead. He summarized the Board letter to the City Council that included information shared with the McClure Report commissioned by the City. Superintendent Dufoe addressed the rate of growth and the impact on class sizes, a new building timeline, and other financial impacts to the District.

Rate of Growth and Impact on Class Size

Projections done in 2013 predicted 160-170 per grade level for kindergarten to grade 2 in 2022-23 or about 20.5 students per section. The overall projection was 2,100 students in the district and this was completed prior to the 2014 bond issue. Additions were added to all buildings which provided approximately 500 more seats. The district used an ideal class size of 19 for these grade levels and a maximum level of 22 for facility planning for the recent additions done at each building. The tax abatement was extended at this point.

Projections done in 2017 predicted 204-219 per grade level for kindergarten to grade 2 in 2022-23 or about 26.37 students per section. The overall projection is 2,385 students in the district by 2021-22 and 2,873 by 2026-27.

The current enrollment is around 1,830.

New Building Timeline

The best case scenario is to begin construction in 2020-21 to occupy in 2022-23. This would require using a large reserve of SAVE revenue to supplement the lack of GO bonding capacity. The bonding capacity in the spring of 2018 is \$7.4 million.

The previous facility master planning found the old middle school (current District Administration Center) is not adequate to serve students and would require millions in renovations and new spaces (kitchen/cafeteria and music/band). The Minburn building will be part of the master planning process again but it may only provide one grade level and costs need to be considered for renovation.

Other Financial Impacts

The District is receiving additional money from state aid to offset the loss of local property taxes. The estimated amount for 2018 is \$311,000.

Estimated impact to the property tax levy rate for the 2018 budget without an abatement (assuming the growth still came) would be a reduction of 66 cents.

Estimated impact to bonding capacity for 2018 without an abatement (assuming the growth still came) would be 9.5 million.

Superintendent Dufoe concluded with stating a growth rate of 50 – 75 students is more manageable and allows smaller class sizes while preparing for another attendance center. He stated that it is not the Board's intention to recommend any certain action on tax abatement or annexation. The Board is looking forward for on-going collaboration with the Council.

Mayor Peters gave a brief history of the tax abatement program and amendments through the years. Each council member shared their proposed modifications to the abatement. Mayor Peters stated a modification to the current tax abatement could be accomplished by the end of this year. Discussion ensued.

The meeting adjourned at 7:10 p.m.

Minutes approved as

Tim Canney, President

Dated

Nancy Gee, Secretary