

**TREYNOR COMMUNITY SCHOOL DISTRICT**  
*Excellence is Expected - Excellence is Achieved*

**Work Session of the Board of Directors**  
**\*Flex Room (next to Supt. Office/HS Building) Thursday,**  
**January 16, 2025—5:00 P.M.**  
**Unapproved**

**Treynor Board of Education Mission Statement:** The goal of Treynor School Board of Education is that every child succeeds. Therefore, the Treynor School Board of Education promises to provide necessary policies, programs, procedures, and resources needed to provide a culture that respects the individual needs of every child. We promise to provide a safe, caring, creative, and engaging learning environment for every child. We promise to promote the social, emotional, physical, and intellectual development of every child. We promise to provide an ethical, respectful, competent, and compassionate staff that values students' rights and helps students become ethical, respectful, competent, and productive members of the community.

**I. Call to Order & Roll Call**

- **Ms. Olson**
- **Mr. Christensen**
- **Mr. Stogdill**
- **Mr. Dreyer**
- **Mr. Vorthmann**
  - **All Members Present**
- **Amend and/or Approve Agenda**
  - **Motion to approve Agenda**
    - **Motion By Mr. Christensen to approve Agenda**
    - **Seconded By Ms. Olson**
      - **Vote 5-0**
      - **Motion Passed**

**II. Budget Work Session for the 2025-2026 Budget**

**a. No action will be taken, only discussion.**

- The school board held a detailed budget work session to discuss financial planning for the fiscal years 2025-2030. Key topics included maintaining financial health through strategic management of unspent authorized budget (UAB), solvency ratio, and tax rates. Travis Squires from Piper Sandler facilitated the session, presenting a financial forecasting model designed to simulate budget scenarios and explore impacts of enrollment, state funding, and district expenditures.
- The district's UAB stands at \$3.55 million, reflecting responsible spending, but is projected to modestly decline to \$2.9 million over five years. The solvency ratio, currently at 25%, is expected to stabilize between 12-15% through controlled spending and careful levy management. Maintaining spending at 101% of the budget authority was advised to allow flexibility without overspending.
- Projections assumed flat enrollment and a state supplemental aid (SSA) rate of 2.5%, although the governor indicated a potential 2% SSA. Enrollment sensitivity remains a key factor, with gains or losses of students significantly impacting financial outcomes. Open enrollment trends, particularly outflows, require close monitoring to mitigate budget risks.
- The district's property tax rate, historically at \$14.25 per \$1,000 assessed value, is forecasted to decline slightly due to debt prepayment and controlled spending. The maximum debt service levy of \$4.05 is being utilized for prepayments, which reduces long-term interest costs. Management fund and cash reserve levies will be adjusted strategically to sustain financial flexibility.
- The district has \$8 million in general obligation (G.O.) bond capacity, with potential to increase to \$12 million by 2026 due to debt repayments and valuation growth. Discussions centered on leveraging this capacity for projects like early childhood facilities or gym expansions. The possibility

of introducing a voter-approved Physical Plant and Equipment Levy (PPEL) was considered to preserve general fund authority while enhancing flexibility.

- Insurance costs, including property and employee benefits, are expected to rise significantly, potentially by 10-15%. The board discussed options for sharing increased premiums between the district and employees, with adjustments factored into salary and benefits planning.
- Special education deficits have been effectively managed, reducing tax rate pressures. The board also explored leveraging operational sharing agreements and reviewing dropout prevention funding to optimize resources. While no immediate staffing cuts were planned, long-term sustainability may require adjustments if enrollment or funding assumptions change.

#### **IX. Adjourn**

- **Motion to adjourn**
  - **Motion by Mr. Dreyer**
  - **Seconded by Mr. Christensen**
  - **Vote 5-0**
  - **Motion Passed**

**Meeting adjourned 7:17pm**