

REGULAR MEETING OF
THE KENOSHA UNIFIED SCHOOL BOARD
HELD OCTOBER 23, 2018

A regular meeting of the Kenosha Unified School Board was held on Tuesday, October 23, 2018, at 7:00 P.M. in the Board Room of the Educational Support Center. Mr. Wade, President, presided.

The meeting was called to order at 7:03 P.M. with the following Board members present: Ms. Stevens, Mr. Garcia, Mr. Battle, Mr. Duncan, Mrs. Modder, and Mr. Wade. Dr. Savaglio-Jarvis was also present. Mr. Kunich was excused.

Mr. Wade, President, opened the meeting by announcing that this was a regular meeting of the School Board of Kenosha Unified School District. Notice of this regular meeting was given to the public by forwarding the complete agenda to all requesting radio stations and newspapers. Copies of the complete agenda are available for inspection at all public schools and at the Superintendent's office. Anyone desiring information as to forthcoming meetings should contact the Superintendent's office.

Mrs. Tanya Ruder, Chief Communications Officer, presented the State Scholastic 3D Archery Championship (Brompton) Awards and the National Blue Ribbon School (Roosevelt) Award.

Dr. Savaglio-Jarvis presented an Administrative Appointment.

Mr. Battle moved to approve the appointment of Mr. Steve Germain as the Interim Principal at Edward Bain School of Language and Arts (EBSOLA) – Creative Arts. Mr. Garcia seconded the motion. Unanimously approved.

Mr. Battle introduced the student ambassador, Joel Hilstrom from Indian Trail High School and Academy, and he made his comments.

Mrs. Modder gave the legislative report.

Views and/or comments were made by the public.

There were no responses/comments by Board members.

There were no remarks by the Board President.

Dr. Savaglio-Jarvis gave the Superintendent's Report.

Board members considered the following Consent-Approve items:

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Consent-Approve item XI-B – Minutes of the 9/25/18 Special Meeting and Executive Session, 9/25/18 Regular Meeting, and 10/10/18 Special Meeting.

Consent-Approve item XI-C – Summary of Receipts, Wire Transfers, and Check Registers submitted by Mrs. Lisa Salo, Accounting Manager; Mr. Tarik Hamdan, Chief Financial Officer; and Dr. Sue Savaglio-Jarvis, excerpts follow:

“It is recommended that the September 2018 cash receipt deposits totaling \$200,709.97, and cash receipt wire transfers-in totaling \$25,169,414.10, be approved.

Check numbers 569572 through 570561 totaling \$7,931,624.58, and general operating wire transfers-out totaling \$456,833.67, are recommended for approval as the payments made are within budgeted allocations for the respective programs and projects.

It is recommended that the September 2018 net payroll and benefit EFT batches totaling \$11,311,495.70, and net payroll check batches totaling \$17,222.75, be approved.”

Ms. Stevens moved to approve the consent agenda. Mrs. Modder seconded the motion. Unanimously approved.

Dr. Savaglio-Jarvis presented the Second Round School Safety Grant Application submitted by Mr. Patrick Finnemore, Director of Facilities; Mr. Hamdan; Ms. Susan Valeri, Chief of School Leadership; and Dr. Savaglio-Jarvis, excerpts follow:

“On March 26, 2018, Governor Walker signed the Wisconsin School Safety Bill which created a new Office of School Safety in the Department of Justice (DOJ), and provided \$100M in funding for school safety initiatives in Wisconsin schools amongst other things. An initial round of grant applications and funding was done in May/June, and KUSD was awarded \$888,788 on June 1, 2018. All of our projects associated with the first round of grant funding are underway, and some have already been completed. A sizable portion (approximately \$45M) of the State-allocated funds remained available after the initial round of grants were awarded; therefore, the DOJ opened a second round of grant applications in August.

We proposed the following projects or training as part of our second round safety grant application to the DOJ: 12-Hour adolescent mental health training, secure entrances, main office intruder pushbutton, classroom door locks, shatter resistant film, two-way radios, and cameras.

Administration recommends Board approval to accept the Second Round State of Wisconsin Department of Justice School Safety Grant in order to expend the funds as described in this report.”

Ms. Stevens moved to approve the Second Round State of Wisconsin Department of Justice School Safety Grant in order to expend the funds as described in the report. Mr. Duncan seconded the motion. Unanimously approved.

Dr. Savaglio-Jarvis presented Policy 7400 – Name or Renaming District-Owned Property submitted by Mr. Scott Plank, Coordinator of Fine Arts; Mrs. Julie Housaman, Chief Academic Officer; and Dr. Savaglio-Jarvis, excerpts follow:

“At the July 24, 2018, regular school board meeting, the board unanimously approved the following recommendations from administration:

1. The Board of Education approves the use of Policy 7400-Naming or Renaming District-Owned Property (Appendix A)-in appointing a committee as prescribed in Policy 8860-Citizen Advisory Committees (Appendix B).

2. The Board of Education approves the Citizen Advisory Committee to follow the guidelines outlined in Policy 7400 fo33 0 T.4(t)2(h)0.004 Tc -0.002 nk, Coordiscee t6(i)6(ne2(h)e1(ol)6

Ms. Stevens moved to approve the naming of the auditorium located in Reuther Central High School the Ralph J. Houghton Performance Center. Mrs. Modder seconded the motion. Unanimously approved.

Mr. Duncan presented Resolution No. 351 – American Education Week 2018, which read as follows:

“WHEREAS, American Education Week is designated to celebrate and honor the individuals who are dedicated to ensuring every child receives a quality education; and

WHEREAS, public schools are the backbone of our democracy, providing young people with the tools they need to maintain our nation's precious values of freedom, civility and equality; and

WHEREAS, by equipping Kenosha’s youth with both practical skills and broader intell

threshold for micro-purchases under Federal financial assistance awards to \$10,000 and raised the threshold for simplified acquisitions to \$250,000 for all recipients.

Non-Federal entities, such as the Kenosha Unified School District, may implement these changes in our internal controls, which include School Board Policies. Thresholds in our policies are required to be at least the minimum Federal thresholds, but they may be more stringent.

The recommended purchase thresholds contained in the revised draft reflect the needs of the district while maintaining Federal compliance.

The required Federal standards will be effective for the District's 2018-19 fiscal year and will require revisions to School Board Policy and Rule 3420 – Purchasing in order to reflect the new requirements and to ensure compliance.

With the proposed changes to purchasing thresholds, the Administration is also recommending a change to the purchasing and signing authority threshold from \$25,000 to \$50,000. This would include the contract amount that requires pre-approval by the Board of Education.

Administration recommends that the School Board approve the revised Policy and Rule 3420 “Purchasing” as presented this evening as a first reading on October 23, 2018 with a second reading on November 27, 2018.”

Mr. Duncan moved to approve the revised Policy and Rule 3420 “Purchasing” as

These budget modifications include:

- Transferred budgets and expenditures from one salary account to another salary account resulting from a review of position control. Reclassifying the salary and benefit dollars from one account to another does not change the overall amount of the budget.
- Transferred operational line item budget dollars from one budget account to another as a result of ongoing review and monitoring of budgets. Reclassifying budget dollars from one account to another account does not change the overall amount of the budget.
- Transferred grant budgets to the appropriate function or object based on formal DPI grant modifications. Since the budget was formally adopted, some grant managers have requested that expenditure budget dollars be reassigned to the function or object where the dollars were expended. The grant budgets have been revised and the resulting modifications may have changed the function or object of the expenditures, but they did not change the total amount of the grant.

Attachment A is a copy of the Notice of Change in Adopted Budget in the proper State approved format that will need to be published in the Kenosha News after the Board has approved these budget modifications.

Administration requests that the School Board approve this report and that the attached Class 1 notice be published within 10 days of the official Board adoption.”

Mr. Battle moved to approve the Change in the Fiscal Year 2017-18 Adopted Budget and the publication of the Class 1 notice within 10 days of the official Board adoption. Mrs. Modder seconded the motion. Unanimously approved.

Mr. Hamdan presented the 2017-2018 Budget Carryovers to the 2018-2019 Budget submitted by Mr. Hamdan and Dr. Savaglio-Jarvis, excerpts follow:

“Historically, Kenosha Unified School District (KUSD) has prohibited the automatic carryover of unutilized budget

Lance Middle School has requested to carryover \$46,031 of unspent budget authority from 2017-18 in order to help fund a new sound and video system for their auditorium. The principal has shared that the current system lacks video support and the audio components are outdated, piecemealed together, and unreliable. Due to other projects occurring at Lance that involved renovations in the auditorium and scaffolding, the timing of this project was delayed so that they could take place concurrently. The total cost of the new sound and video system is approximately \$53,000 and Lance will use additional funds from their 2018-19 budget to make up the difference.

Mahone Middle School has also requested to carryover \$7,233 of unspent budget authority from 2017-18 in order to fund updates to their sound system. The school had planned for the updates to occur within the 2017-18 school year; however, their project was delayed when the vendor informed them that they would not be able to perform the installation until they completed projects at Lance and Bullen Middle School.

The site carryover of \$7,562 from the Human Resources Department represents residual funds associated with the 25-year club and recognition dinner programs. These programs involve donations and ticket sales; therefore, carryover authority on residual balances is recommended.

The recommendation for carryover of \$25,982 from the Information Services Department is due to balances associated with the previously approved wireless upgrade project (\$21,009) and balances in the technology buyback program (\$4,973). Both of these balances include revenue sources from outside of the District; therefore, carryover authority is recommended.

During the 2017-2018 school year, several schools/departments received cash donations or mini-grants from outside organizations, most notably from the Education Foundation of Kenosha (EFK). Some of the 2017-2018 donated funds were not completely spent by the end of the school year; therefore, the schools have requested that these funds be carried over to the next year so that they can be used to complete the programs intended by the donors.

The Department of Community & Parent Relations also manages the Mary Frost Ashley grant. These funds are received upfront at the beginning of each school year. From the 2017-2018 fiscal year, the department is requesting to carryover the unspent balance of \$5,603 which is primarily made up of unspent Mary Frost Ashley grant funds.

These funds are recommended for carryover so that they can be used for their intended purpose.

The charter schools are allowed carryover of any unspent general fund dollars, as stipulated in their individual contracts with the district. This is necessitated due to the

This method provides for a more accurate year to year budgeting while preserving the charter school's access to their surplus funds. The schedule in Attachment B shows the total balance in the charter school fund balance reserve accounts as \$2,600,105 as of June 30, 2018.

Administration requests that the School Board approve this report so that these carryover funds can be incorporated into the adopted 2018-2019 budget."

Mr. Duncan moved to approve the 2017-2018 Budget Carryovers to the 2018-2019 Budget so that the carryover funds can be incorporated into the adopted 2018-2019 budget. Mr. Battle seconded the motion. Unanimously approved.

Mr. Hamdan presented Formal Adoption of the 2018-2019 Budget submitted by Mr. Hamdan and Dr. Savaglio-Jarvis, excerpts follow:

"The public hearing on the 2018-2019 budget and the annual meeting of district electors were held on September 13, 2018, in the auditorium of Indian Trail High School and Academy. At the annual meeting of district electors, our stakeholders voted to approve the tax levy at the maximum amount allowed by law. At the time of the annual meeting, it is important to note that key variables in the budgeting process were not finalized, therefore conservative estimates were included.

Since the public hearing and the annual meeting, the administration has updated the budget to reflect components such as staffing costs, student membership, equalized property valuations, certified state aid, and tax levies. In the official October general aid certification, our general state aid decreased by \$669,578 as compared to last year. However, our total state aid that impacts tax levy increased due to the addition of a new state aid for personal property that added \$1,650,042 of tax levy relief to our stakeholders. The 2017-2019 state budget (2017 Act 59) exempted certain machinery, tools, and patterns from property tax assessments and also created this new aid program designed to reimburse municipalities for the lost tax revenue. KUSD curr T* [(2)TJ 1(c)42H4(i)9)6(on o)10 i l6didec6 ar017ir4.hoodiandr4.ad4e-s aief1(c)10(ue cr)72]TJ 1()4n1-34.5 -1.1529 d imcr0(d \$)1(r)1

Final projections show approximately \$410K of available funds yet to be allocated. These funds are available for the Board of Education to allocate in the 2018-19 budget as they see fit.

Unassigned general fund balance reserves are currently greater than 10% of budgeted expenditures; therefore, the portion of school board policy 3323 that requires a one million dollar budgeted surplus (if the fund balance is below the 10% threshold) will not be applicable for 2018-19.

The total general fund (10) ending fund balance is projected to be \$55.32 MM at the end of 2018-2019 which represents 21.38% of the current year expenditures. Included in that number are components of the fund balance designated for specific purposes such as charter school reserves (\$2.6 MM), inventory and prepaid items (\$1.2 MM), and contractual obligations (\$192K). After adjusting for the designated balances, the fund is left with an unassigned projected balance of \$51.30 MM which represents 19.83% of the budgeted expenditures.

The 2018-19 budget will include the proposed tax levy of \$88,384,590.

The proposed tax levy for the general fund (10) is the maximum amount allowable within state law without going to referendum. The overall 2.6% decrease in total tax levy equates to \$2,357,258 less local property tax dollars needed for the Kenosha Unified School District as compared to the previous year. Most of this decrease can be directly attributed to the addition of the new state aid for personal property starting in 2018-2019. Since this new state aid amount falls with the revenue limit formula, it does not provide additional budget authority, but it does directly reduce the amount of tax levy needed.

The total mill rate per \$1,000 of equalized property valuation is \$9.40, an 8.13% decrease as compared to the prior year. This decrease is the result of changes in both tax levy and equalized property values in our district. Our equalized property value increased by 6.02% from last year which means the reduced tax levy is spread over a larger tax base which results in a significantly favorable change in the mill rate. Attachment A delineates this tax levy scenario in a historical view of the District's equalized property values, tax levies, and mill rates.

It is requested that the Board of Education accept the following recommendations:

1. Formally adopt the District's 2018-2019

Mr. Duncan moved to adjourn the meeting. Mr. Garcia seconded the motion. Unanimously approved.

Meeting adjourned at 8:11 P.M.

Stacy Schroeder Busby
School Board Secretary