



The Newport Board of Education held a work session on September 13, 2017 at 6:30 P.M. The meeting was held in the Board Room located at 30 W. 8th Street, Newport.

CALL TO ORDER

Chairman Ramona Malone called the meeting to order and asked for a roll call. The following were present: Ramona Malone, Dr. Julie Smith-Morrow, Theresa Miller, & Matt Scott.

Also in attendance: Superintendent Kelly Middleton and other district administrators.

Ms. Malone asked those in attendance to stand and recite the Pledge of Allegiance and pause for a Moment of Reflection.

PROPOSAL FROM CITY OF NEWPORT

The city believes there are considerable tax bills remaining unpaid and in delinquent status. Due to the additional clerical and legal work to collect these taxes, the city is asking the Board to share the cost. Their proposal is to increase the collection rate from 2.5% to 35%; there is a chance these additional funds may push the city over the 4% tax revenue increase so the draft proposal is currently delayed until they figure this out.

After much discussion, the board has asked the superintendent to negotiate a lower collection rate before considering approval of this proposal.

KSBA PETITION FOR INTERVENTION – DUKE ENERGY INCREASE

On August 2nd, Duke Energy Kentucky notified the Public Service Commission of its intent to file an application to increase electric rates and initiate an environmental surcharge. In the past KSBA intervention has been supported by district contributions to an intervention fund. In order for KSBA to intervene in this case they are asking local boards to contribute \$30,000 to cover legal and professional witness costs. The board will be asked to sign a resolution giving support to this cause at the regular meeting this month. The cost will not exceed \$2,308 if at least half of the districts in the area agree to participate. If all districts agree, the cost will be \$1,538.00

BUDGET UPDATE

The Governor's office is planning to cut spending in most state agencies by 17.4% this fiscal year to address an expected \$200 million budget shortfall. The Commissioner must have a budget report to the governor's office by September 25th outlining his plan.

The district's non-SEEK state funds amount to \$3.7 million and a 17% cut is approximately \$629,000; loss of SEEK dollars with the drop in enrollment is \$400,000; Title, SIG, & 21st Century would be \$600,000; possible rising pension costs; possible future employee payroll increases; lower property assessments are all internal concerns for us right now. Personnel are in programs facing these cuts.

We should know soon how the cut in spending will affect districts across the state.

DEFERRED COMP PROPOSAL

In an effort to stabilize our staff and recruit top talent, the following is being proposed in regards to the current 403B employer match program when all targets are met.

Currently the district matches \$600 per enrolled employee in the plan costing \$90,000. The new proposal would increase the cost of this program by about \$60,000 and the match would be based on years of employment in the district:

- Employees with the district 1-3 years - \$600 match
- Employees with the district 4-6 years - \$900 match
- Employees with the district 7+ years - \$1,000 match

The board was in agreement with this proposal and would also like to consider other criteria once the board attorney reviews it.

COMMUNITY PARTNERS

Mr. Middleton shared a list all the community partners and their connections to our schools. The list is extensive and very fluid as we continue to add partners as we go.

The meeting adjourned at 7:20 PM

Ramona Malone, Board Chair

Kim Klosterman, Secretary