

## Meeting Notes

Jefferson County Board of Education  
Revenue Advisory Task Force  
November 11, 2019 - 5:30 p.m.

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### Present:

Andrew Bailey, Mike Beard, Phillip Bond, Kevin Brown, Carmen Coleman, John Collopy, James Craig, Amy Dennes, Lori Goodwin, Cindy Baumer, Chris Fitzpatrick, Cordelia Hardin, Chris Harmer, Natalie Harris, Lawrence Herring, Cathy Hinko, Lisa Houston, Chris Kolb, William Komp, Brent McKim, Jo McKim, Mildred Menchu-Johnson, Jess Metzmeier, Eddie Muns, Cordia Pickerill, Mike Raisor, Chay Ritter, Attica, Scott, Pam Thomas, Alan Young

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### Summary of Meeting

Today's agenda: Our role, what the Board has tasked us to do, and what we are not tasked to do (don't lose focus)

The need - Dr. Pollio

Finances - Cordelia Hardin

The law - Pam Thomas

Options – group discussion

Q&A and timeline to close

What the Board expects of task force: purpose is to review the options for additional revenue and make suggestion for Board. If not, at least list pros and cons. Decision of whether JCPS needs additional revenue and how much is the Board's decision. The task force is simply evaluating the best way to achieve additional revenues.

Dr. Pollio talking about the need:

NOT PROPOSALS but framing the need

Kids have more absolute trauma that they bring to school

2/3 at risk

6,000 homeless = housing insecurity

13,000 special education services

8,000 ESL

Not even talking about adverse experiences

Transformational change, not incremental change

1. Workforce and leadership development – teacher shortage. Principal leadership training, turnaround leadership, interim principal year, teacher residency program, increase pay differential compared to surrounding counties, mentoring including stipend

2. Student Instructional time – 10,000 students in backpack league, teacher PD to identify students not on track, additional opportunities for students not on track, move school start time back 30 minutes
3. Student choice in student assignment – guaranteed choice, additional magnets, five new interest only magnets, increase gifted and talented 20% especially for African-American, redesign of alternative schools (reengagement)
4. Resourcing high poverty schools – create funding model that resources based on poverty and need, AIS leaders get up to an additional \$15,000 per year, review teacher stipend in AIS, one-to-one technology in AIS/high poverty, community based wrap-around services
5. Facilities – 10-year plan to rebuild all 35 end-of-life schools, all schools meet 21<sup>st</sup> century learning spaces, central office facility
6. Supports for instructional systems – school calendar for at least six full PD days, clear school evaluation system that includes instructional evaluation system, 10,000 community volunteers in “backpack buddies”

In total, \$60-\$80 million. Must repurpose \$ to get there, but we must reframe to get there

Cordelia Hardin: \$800,000 just for paving to stay on 20-year trend. \$9M to stay on 20-year trend for roofing.

SEEK keeps lagging inflation

Pam Thomas: environment at state-wide level

Revenue not keeping up with personal income

Income tax (cut in 2018) tracks with economy; sales tax does not track but became a bigger % of tax revenue in 2018

Cigarette tax is decreasing

Shifted in 2018 to more reliance on poor people paying tax

Wealthiest pay least

Family size tax credit benefits the poor

Economic growth is entirely in top 1%; economic decrease in bottom 99%

State's contribution is shrinking and local funding is increasing

4<sup>th</sup> worst education cuts among states

16% cuts since 2008

Funding gap between wealthy and poor districts is expanding to same levels of Rose decision (KERA)

Chris Kolb: our real estate tax rates are lagging most surrounding school districts

\$1.2B facility plan is a triage plan, not a systemic upgrade cycle (would need more funding)

Revenue source options:

Nickel tax – pros = legitimacy, framing for keeping up with other counties, buildings are tangible, biggest impact on our bonding capacity, some flexibility to supplant, may be easiest to pass due to smaller ask, investing in property values, generally progressive

Negatives – capital only, supplanting would reduce bonding capacity meaning that capital needs aren't accomplished, wouldn't accomplish even the facility needs much less instructional and equity programs, nickel doesn't increase due to 4% compounding

Above 4% property tax – pros = more flexible, rationale from state audit as recapture of previous board's missteps, evidence of comparable tax rates, safety at 4% rate, assessments increases would diminish impact on taxpayers, increases base going forward, marketing problem due to property owners without JCPS students, investing in property values, generally progressive

Negatives = Not as easy to sell, not glamorous, marketing problem due to property owners without JCPS students, will still have regressive impact (question: are small income homeowners greater affected due to higher % of income spent on mortgage?),

Income tax – pros = progressive (could make it more), lots more money,

Negatives = No district has levied more progressive, somebody will sue us, confusing, if state continues lowering state income tax this would lower also, more vulnerable to anti-tax ads, could this look like a double-tax with occupational, much more volatile revenue source, personal only not corporate, could legislature repeal later?

#### Questions

1. How much is the lost revenue? Percent plus compounding
2. Should we specifically pinpoint how funds would be used? Narrow the focus
3. Juxtapose against cost of not doing something now
4. Can we get feedback from other community & business leaders about these options?
5. What businesses have pilots and how often are those reassessed?

#### **Future meetings:**

November 25

December 9

December 16

Work may continue past these meetings as we explain to Board.

The Board has a work session on 12/10/2019 - would like to update the Board on revenue task force at that time, even if work isn't completed.

Link to meeting handouts – [Revenue Advisory Task Force](#)