



The Newport Board of Education held a tax rate hearing on Wednesday, August 28, 2024, at 6:00 PM followed by the regular monthly meeting. The meeting was held at 30 W. 8<sup>th</sup> Street, Newport.

### **CALL TO ORDER**

Chairman Ramona Malone asked for a roll call. The following were present: Ramona Malone, Sylvia Covington, Aaron Sutherland, Tim Curl, & Ed Davis.

Ms. Malone asked everyone to stand and recite the Pledge of Allegiance and to pause for a Moment of Reflection. Ms. Malone read the mission statement.

### **TAX RATE HEARING**

Any taxing district proposing to levy a tax rate which exceeds the compensating tax rate, must hold a public hearing to obtain comments from the public regarding the proposed tax rate. The taxing district shall advertise the hearing at least twice in two consecutive weeks in the newspaper of largest circulation. The announcement for this hearing appeared in the Enquirer on August 15, 2024 and August 22, 2024.

### **ADOPT REAL ESTATE PROPERTY TAX RATE FOR 2024**

Many Newport citizens attended the hearing. The following residents expressed concerns or ask questions about the proposed rates:

- Angela Siddall
- Alice Watkins
- Annette Kitchen
- Lynn Schaber
- Jerry Peluso
- Chad Schultz
- Robert Yoder
- Jan Knepshield

Several residents felt the lack of clarity about the board's direction with the proposed rates made it difficult to have meaningful conversation.

The four options proposed by the superintendent and his staff are:

- The compensating rate of .768. The compensating tax rate is the property tax rate that produces an amount of revenue approximately equal to that produced in the preceding year.
- The compensating rate of .768 + 4% which would be .798. KRS provides that a local taxing district also has the option of setting a tax rate which will provide no more revenue from real property than 4% over the amount of revenue produced by the compensating rate.
- 4% plus exonerations, .798 and +.03, resulting in a final figure of .828. An exonerations refers to the process by which the city lowers a property tax assessment for a resident or business. This adjustment occurs when the initial rate was incorrect, or the property owner successfully disputed the amount, leading the city to agree on a reduction. Exonerations help the district recover losses from previous years due to these adjustments. Last year, the Property Valuation Administrator (PVA) incorrectly estimated the district's expected revenue, reducing the budgeted income by approximately \$500,000. Additionally, New Riff cost the district an extra \$65,000 due to taxes paid on non-taxable barrels. As a result, this year's rate is higher than usual to compensate for these discrepancies in budgeted revenue.
- HB 940 – this tax rate results in tax revenue that qualifies districts to the maximum Tier I equivalent. The rate is calculated and compared to the levied equivalent rate imposed in FY 1990. The HB 940 tax rate is not subject to hearing or recall provisions.

While many homeowners will see a decrease in taxes with the proposed rates, if a homeowner received a reassessment of the value of their property by the PVA, the property tax will increase proportionately.

Questions/comments by residents:

- How will additional money be spent on students?
- Why is the stadium closed to residents?
- Can site base money or a school activity funds be used to purchase furniture?
- State ranking in academics
- Invest in teacher and curriculum instead of a stadium
- What is being cut from the operational budget? How is it helping students?
- How much has the education foundation raised towards to the cost of the stadium?

- What is the contingency rate and how are we budgeting for future projects?
- What are the criteria and costs for the citizens to petition the tax rate?
- The proposed compensating rate will raise \$2,000,000 more than last year.
- Concerns over residents with fixed incomes
- Will the increase cover Phase II and III of the stadium projects?
- Explain what superintendent meant by “opportunity” to charge more taxes.
- Why did we start this project without having the money to finish it?
- What is the \$2,000,000 allocated for besides furniture?
- Future merger possible with the right board
- What is the district’s plan to help students become kindergarten ready?
- School grounds are a mess

The board and superintendent answered questions and addressed concerns.

- The stadium remains locked in the evening because of liability issues. Community members can be granted permission to use the facility for organized events and it is open during business hours. The football field must be maintained to high standards for safety and longevity; inspections are completed annually by KHSAA to ensure we stay in compliance with field safety regulations.
- All buildings are in need of new student desks; however, the intermediate school is in need of new furniture in all grades. This equates to approximately 20-24 classrooms.
- The old stadium had been condemned and created a disrespectful environment for our students. Although many repairs were made over the years, the costs had become excessive, and some companies even refused to assume liability for further repairs. Structural engineers ultimately determined the building to be unsafe. There is a district facility plan that is updated every four years. A new stadium is on that plan; the need to replace happened before the board was ready to take action.
- With teacher shortages, keeping salaries competitive in order to maintain current staff is a priority. Budget cuts were made across departments to give teachers a 4% raise this year. This equated to \$500,000.
- The education foundation has raised \$1,200 to date to help with the stadium project. The foundation will be working to raise more money and recently discussed forming a fundraising committee. The foundation has been supporting students thru scholarships for post-secondary and trade school opportunities. They also pay for the Young Scholars Academy at NKU and dual-credit classes at Gateway for all students who choose to enter those programs. This year the foundation is supporting the schools with attendance incentives to encourage students to come to school every day.
- Mr. Watts clarified that his comment about seeing the rate increase as an opportunity was taken out of context. He explained that his role is to present to the board what he and the district administration believe is best for the district and its students. The proposed rate increase is intended to address both current and future needs.
- The additional \$2,000,000 in revenue can be broken down as follows: \$52,000 will be paid to the city for tax collection, \$500,000 teacher salaries, \$397,000 instruction, \$350,000 general maintenance, \$782,850 for building fund for renovations, repairs, and projects.

Ms. Malone asked the favor of the board. Mr. Watts reminded the board that in order to qualify for the potential Property Assessment Growth Relief funding next spring they would need to pass the compensating rate + 4%. There are four components to qualify for these additional dollars and the district has met three so far.

All members thanked the residents for their input on tonight’s tax rate hearing. As board members their duty is to do what is financially fiscal for the district while listening to the concerns of citizens. That being said, all members support adopting the compensating rate for tax year 2025.

On MOTION BY SUTHERLAND AND SECONDED BY CURL the board adopted the compensating property tax rate of 76.8 for tax year 2025.

1583 – MOTION CARRIED 5-0

On MOTION BY SUTHERLAND AND SECONDED BY CURL the board adopted the compensating personal property tax rate of 90.4 for tax year 2025.

1584 – MOTION CARRIED 5-0

On MOTION BY SUTHERLAND AND SECONDED BY CURL the board adopted the compensating motor vehicle tax rate of 99.3 for tax year 2025.

1585 – MOTION CARRIED 5-0

## **ADJOURNMENT**

On MOTION BY SUTHERLAND AND SECONDED BY CURL the hearing adjourned. Time: 7:25 PM

1586 – MOTION CARRIED 5-0

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Chairman

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Secretary

The board took a 30-minute recess before continuing with the regular meeting.

Ms. Malone called the meeting to order at 7:55 PM

## **PRESENTATIONS**

Noah Onkst from REH&A Architects was present to present renderings of Phase II, including the new concessions and restrooms at the stadium. The plans include nine stalls each in the women's and men's restrooms, surpassing the capacity of our old facilities. Mr. Sutherland inquired about the possibility of converting the roof into a top deck area. However, since this would involve new construction, ADA compliance would require the installation of an elevator, a cost that exceeds the board's budget. The BG-1 includes \$900,000 in construction costs. With this being new-construction, there is less chance of costs increasing.

He also showed the updated floor plans for the CTE areas at the high school. The CTE classroom upgrades will provide for more appropriate use of space, privacy, and safety. Money from the state will fund almost all of these new upgrades.

Nichole Braun, Coordinator, KY Adult Education Campbell County, was present to share news about her program. She also introduced Steven Schreck whom she is grooming to replace her as she plans to retire at the end of the year.

The adult learning program in partnership with Brighton Center offers several certification programs. The ESL program has seen 71% growth and they received additional funding to hire a full-time employee to help these students and families.

The program saw 61 graduates with 109 other students showing gains. They have the named the #1 Program in KY (3 times now) and they also received the Best Budget Executive Award; which Nichole gave credit to Ms. Hoover for her assistance and guidance.

Lisa Swanson recognized Darla Payne and Katina Brown for organizing this year's Wildcat Academy. Accolades for the guest speakers and presenters at the sessions. It was a very successful two days of PD for our teachers.

## **COMMENTS FROM THE AUDIENCE**

Josh Tunning was present to ask the board to consider a universal preschool program. Children who participate in high-quality preschool programs tend to be better prepared for kindergarten, both academically and socially. They have higher literacy, numeracy, and language fluency skills than their peers who do not attend a preschool program.

By starting early, children can develop the fundamental skills they need to succeed in school. Preschool also helps them develop social-emotional skills like self-regulation and empathy, which are crucial for success as they grow older.

The board supports the idea of universal preschool and has been discussing it. This is a community issue and they would be asking for community involvement and support. Since the state does not fund preschool, this becomes a financial barrier that most districts cannot overcome by themselves. Full day preschool comes with its own set of regulations such as naps and meals but these are not barriers we cannot overcome with funding and room for such a program.

## **MINUTES OF JULY 23, 2024, JULY 31, 2024, AUGUST 7, 2024, AND AUGUST 24, 2024**

On MOTION BY COVINGTON AND SECONDED BY DAVIS the minutes were approved as written.

1587 – MOTION CARRIED 5-0

## **TREASURER'S REPORT**

Mr. Sutherland asked about the charge for Walt Disney World on the Mastercard Statement. Ms. Hoover explained this is a national teacher conference held annually. There were 60,000 attendees from different schools nationwide attending the model schools conference. Newport sent Ms. Payne, Ms. Brown, Dr. Michael, Mr. Grayson, and Ms.

Tiemeier. He asked about the different room rates? Some travelers went a day earlier than others and some booked at different times which may have caused rates to fluctuate.

On MOTION BY DAVIS AND SECONDED BY COVINGTON the financial statement was accepted and will be filed for audit and the bills were approved for payment.

1588 – MOTION CARRIED 5-0

### **STUDENT LEARNING AND SUPPORT SERVICES**

Mr. Watts reported we had a successful first week of school. District administrators were in schools the first three days and noted that practice on daily procedures were underway. The football team celebrated a victory over Carroll County last week and will play at Holmes this Friday. The Youth Service Centers from both schools will be hosting a tailgate party starting at 4:00. Newport's stadium grand opening is scheduled for September 13<sup>th</sup>.

Ms. Payne shared her report asked for questions. Her report covered this year's Wildcat Academy Summit. Other districts were invited to participate but Covington was the only district not in session during this time. NKCES said this is a model PD opportunity for our region.

Ms. Stewart shared her monthly report as well as the non-resident packet for the board's review. Mr. Sutherland asked about the non-resident enrollment contract information that states to ensure that parents and students are aware of the expectation for behavior, attendance, and grades. This is in addition to the school-level family meetings that occur for students in danger of failing courses with high level behavior and attendance issues. Behavior, attendance, and grade data are all utilized to determine the students who intend to enroll in the fall for non-residents. If someone has not met the criteria, they do not receive an Intent to Participate letter in the summer. The contract is reassurance that parents are aware of the expectations for this year's enrollment as well as future years.

A major concern is we are taking students from other districts who do have the issues outlined above. Before accepting non-resident students, prior school records are requested from the current district of enrollment.

Mr. Maines submitted his report and asked for questions/concerns. He noted that he met with Josh Tunning and Cassandra Homan to further plan the planting of 26 new trees at the intermediate school and welcome center as part of the City's 1000 Tree Grant.

Ms. Swanson submitted her report. There were not questions.

### **OLD BUSINESS**

The board was presented with two options to fund Phase II of the stadium project. After tonight's tax rate hearing, Ms. Hoover recommended the board bond the full cost of the project (option 1) and not put any cash towards the project (option 2).

On MOTION BY SUTHERLAND AND SECONDED BY CURL the board chose to fund Phase II of the stadium project using Option 1 – bonding the entire cost of the project.

1589 – MOTION CARRIED 5-0

### **NEW BUSINESS**

Before moving to new business, Ms. Malone ask about the fundraising activity for the WEBN fireworks event. Do we have any liability? Ms. Hoover explained that no one will be in the building. Patrons will be paying for parking and water will be available for purchase. Ms. Abney and Mr. Grigson will be on-site during the event.

On MOTION BY SUTHERLAND AND SECONDED BY CURL the board nominated Ed Davis as their representative on the local planning committee (new business item #13)

1590 – MOTION CARRIED 5-0

1. Personnel report;
2. Emergency certification applications for high school science, high school ELA, high school math, PE, & librarian
3. FY 2025 District Funding Assurances
4. MOU with Ramey Estep/Re-group (school-based behavioral health services)
5. MOU with NorthKey
6. MOU with Healing Haven Counseling
7. MOU for DJJ Interagency Agreement
8. Approve expenses for the board and superintendent to attend the following meetings and conferences:
  - KSBA Fall Regional Meeting – September 3, 2024
  - KSBA Winter Conference – December 2024
  - COSSBA Annual Conference – February 2025
  - KSBA Annual Conference – March 2025
  - KSBA Summer Conference – July 2025
9. Owner/architect Agreement – Phase 2 – Newport Stadium

10. BG-3 – Newport High CTE Renovations
11. Bid documents – Newport High CTE Renovations
12. KEDC 24/25 Membership Agreement
13. Appoint a board member to serve as a member of the local planning committee charged with developing the upcoming District Facility Plan.
14. Fundraising Activity – NIS – WEBN Fireworks Parking

On MOTION BY SUTHERLAND AND SECONDED BY CURL new business items 1-12 and #14 were approved as presented.

1590 – MOTION CARRIED 5-0

#### **BOARD COMMENTS/CONCERNS/ UPDATES**

Ms. Malone read an email she received from Dr. David Childs, CEO, Cultural Diversity Consultants.

Dear Ms. Malone and Newport Administrators,

On behalf of Cultural Diversity Consultants, LLC and Sweet Blackberry Foundation, Ms. Karyn Parsons and I would like to thank Ms. Katina Brown and Newport staff for your hospitality and hosting us at the Wild Cat Academy. Congratulations on an absolutely amazing event. We had such a wonderful time!

Thank you from the bottom of our hearts. We look forward to future collaborations with Newport Schools. We will follow up with an official “Thank You” letter via email in the near future.

Dr. David Childs,  
CEO, Cultural Diversity Consultants  
Board Member, Sweet Blackberry Foundation

Ms. Karyn Parsons,  
CEO, Sweet Blackberry Foundation

#### **ADJOURNMENT**

On MOTION BY COVINGTON AND SECONDED BY CURL, the meeting adjourned at 9:13 PM

1591 – MOTION CARRIED 5-0

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Chairman

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Secretary