



The Newport Board of Education held a work session following by a special meeting on Wednesday, October 16, 2024, at 6:00 PM. 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, Aaron Sutherland, Tim Curl, & Ed Davis. Ms. Covington entered the meeting a few minutes after 6:00.

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

### **BUDGET DISCUSSION**

Ms. Malone asked Mr. Watts if he had anything he would like to address regarding the budget. He deferred comments to Ms. Hoover.

Ms. Hoover addressed the misconception regarding sick leave liability that has caused concern among teachers and staff in the district. She clarified that sick leave funding has never been at risk. On October 2nd, the board discussed removing sick and vacation liabilities as a separate line item in the budget, instead keeping those funds in the investment account to temporarily reduce the budget deficit. If the district does not receive its additional projected revenue this fiscal year, Ms. Hoover will request that the board release funds from the investment account to cover payouts for any eligible retirees or resigning staff at year-end.

Mr. Davis affirmed that the district has sufficient funds to cover sick and vacation liabilities, but these funds are currently being held in the investment account.

When Mr. Curl asked how the misinformation spread, Ms. Hoover explained that it's unclear, as the minutes from the last meeting have not yet been released. However, she took this opportunity to clarify the situation for those concerned.

Mr. Sutherland asked what the amounts are for sick and vacation leave liability that have been removed. Mr. Hoover said sick leave liability is \$350,000 and vacation leave liability is \$283,000.

Mr. Sutherland asked what the difference is in district student programs and the curriculum line items in the budget. District student programs are all of the core curriculum programs for students', and the other line item includes funding for additional professional development, training, and resources for teachers.

He also inquired about TANK. Ms. Malone said she met with Mr. Maines to discuss this contract. We currently use 4 TANK busses to transport high school students. The contract with TANK saves the district money by not hiring additional personnel. If we discontinue the TANK contract and use our own transportation, all school schedules would need to be adjusted to accommodate additional time for busses to pick up and drop off students at the high school. This time lapse causes issues when older students are needed to pick up younger students at the primary and intermediate schools.

Mr. Sutherland sought confirmation that, if current conditions remain unchanged, the district's starting balance for the 2025-2026 school year will be approximately \$425,000—\$1.5 million less than this year's opening balance. As a result, significant cuts will need to be made in the spring. He noted that while the board had approved a tentative budget of \$19,325,000, it was overspent by \$364,000. Although this shortfall is manageable, the district's finances would have been in a stronger position had the board not been persuaded by the public to adopt the compensating tax rate. Any other option would have generated more revenue and left the district in a better financial situation.

Mr. Davis agreed that the district does not have a lot of room to move and must reduce spending.

### **KY SUMMATIVE ASSESSMENT DATA (KSA)**

Ms. Payne presented a Glows and Grows report for the district. Her report covered:

- State-wide performance overview
  - Overall Positive Trends
  - Consistent Growth
  - Area for Opportunity
- Elementary accountability indicators comparison between 2022-2023 and 2023-2024
- Middle school accountability indicators between 2022-2023 and 2023-2024
- High school accountability indicators between 2022-2023 and 2023-2024
- Identifying areas of growth in reading, math, social studies, science, and writing.
- Identifying areas of growth – ACT
- Areas for improvement
- Strategies for boosting math scores
- Strategies for boosting ELA scores
- Engaging students and families
- Leveraging data for continuous improvement
- Next steps

Ms. Malone thanked Ms. Payne for the report and asked that she continue to keep the board updated throughout the year when assessment data is available.

### **ADJOURNMENT**

On MOTION BY SUTHERLAND AND SECONDED BY CURL the work session adjourned.

1605 – MOTION CARRIED 5-0

### **SPECIAL MEETING**

Before approving the transfer of funds from the investment account to balance this year's budget, Ms. Malone emphasized the need for stricter oversight on spending. She requested that any future changes to line items require board approval to ensure greater transparency. Given the district's tight budget, the board must take a more active role in monitoring expenditures.

Mr. Sutherland added that, after speaking with Mr. Watts, Ms. Hoover, and Ms. Payne, he believes there may still be room for additional cuts. However, they assured him that the budget is already as lean as possible. He urged all departments to remain conservative in their spending and suggested relying on internal talent for training and professional development, rather than hiring outside consultants. Tim Curl

also reminded departments that they are not obligated to spend over-budgeted funds if they are not necessary.

Ms. Malone recommended transferring \$1,000,000 from the investment account to the general fund to balance the budget. Mr. Sutherland asked why \$1,000,000 and not just the difference needed. Ms. Hoover said the additional \$12,000 will be added to the contingency so it is not spent.

On MOTION BY CURL AND SECONDED BY COVINGTON the board agreed to transfer \$1,000,000 from the investment account to the general fund in order to balance the budget for FY 2025.

Roll Call:

Ed Davis – yes

Aaron Sutherland – yes

Ramona Malone – yes

Tim Curl – yes

Sylvia Covington – yes

1606 – MOTION CARREID 5-0

### **ADJOURNMENT**

On MOTION BY COVINGTON AND SECONDED BY CURL the meeting adjourned. 6:54 PM

1607 – MOTION CARRIED 5-0

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Chairman

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Secretary