April 20, 2020 KENT ISD SCHOOL BOARD MINUTES

A regular meeting of the School Board of said district was held virtually on the above date. The meeting was called to order by President Haidle at 6:00 p.m.

Members Present (Virtually): Bajema, Drake, Haidle, James and Rettig
Member Absent:

Kent ISD Staff Present (Virtually): Superintendent Caniff, Assistant Superintendents Gardner, Philipps, Sullivan, and Recording Secretary Conners; Directors Baine, Brockway, Dymowski, Finkel, Karsten, Kaufman, Lamar, Lovelady-Mitchell, Myers, Peraino and Stamas; Principals Bush, Graham, Hendry and Kiley; Ron Houtman, Chris Glass, Deborah VanDyke

Guests (Virtually): Joanne Bailey-Boorsma, SNN

President Haidle offered an opportunity for public comment.

Upon motion of Member Drake, supported by Member Bajema, it was resolved to approve the minutes from the Regular School Board meeting of February 17, 2020 and the Special Board meetings of February 12, 2020 and February 13, 2020.

Ayes: Members Drake, James, Rettig, Bajema and Haidle
Nays: None

Motion declared to have carried.

Upon motion of Member Bajema, supported by Member Rettig, it was resolved to combine and approve items E.1. and E.2., the bills from February 1, 2020 through February 29, 2020 and the bills from March 1, 2020 through March 31, 2020. It was resolved that these bills be allowed and orders drawn on the Treasurer for the amount summarized in the accounts payable report:

February 1, 2020 – February 29, 2020

a. General Education $ 8,107,412.04
b. Special Education – Center Programs 235,651.67
c. Special Education 5,127,621.33
d. Community Service 347.23
e. Career Technical Education 365,639.31
f. Cooperative Education 22,579.90
g. Student/School Activity Fund 17,816.74
h. Capital Projects:
   1) General Education 28,445.08
   2) Special Education 78,082.53
   3) Career Technical Education 30,417.37

TOTAL $ 14,014,013.20
March 1, 2020 – March 31, 2020

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>a. General Education</td>
<td>$ 7,250,051.68</td>
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<tr>
<td>b. Special Education – Center Programs</td>
<td>197,158.65</td>
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<td>c. Special Education</td>
<td>4,910,120.80</td>
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<td>d. Community Service</td>
<td>569,726.24</td>
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<td>e. Career Technical Education</td>
<td>454,185.80</td>
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<td>f. Cooperative Education</td>
<td>29,757.00</td>
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<td>g. Student/School Activity Fund</td>
<td>3,014.48</td>
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<td>h. Capital Projects:</td>
<td></td>
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<tr>
<td>1) General Education</td>
<td>213,296.46</td>
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<tr>
<td>2) Special Education</td>
<td>104,569.64</td>
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<tr>
<td>3) Career Technical Education</td>
<td>24,532.20</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$ 13,756,412.95</strong></td>
</tr>
</tbody>
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Ayes: Members James, Rettig, Bajema, Drake and Haidle
Nays: None

*Motion declared to have carried.*

Upon motion of Member Bajema, supported by Member Drake, it was resolved to approve the transition of the registrar position at MySchool@Kent from a temporary position to a permanent position. Assistant Superintendent Sullivan stated that this is consistent with our guidelines of changing long term temporary positions into permanent positions.

Ayes: Members Rettig, Bajema, Drake, James and Haidle
Nays: None

*Motion declared to have carried.*

Upon motion of Member Rettig, supported by Member Drake, it was resolved to combine and approve board items F.1.b. and F.1.c. - the March and April personnel recommendations regarding resignations and terminations, appointments, new assignments and/or contract adjustments, leaves of absence, and temporary contract employees. A copy of these recommendations is included with the legal minutes of this meeting.

Ayes: Members Bajema, Drake, James, Rettig and Haidle
Nays: None

*Motion declared to have carried.*

Upon motion of Member Bajema, supported by Member Rettig, it was resolved to approve the creation of a new Help Me Grow Coordinator position. Director Karsten stated that this position, funded by the Kent County Early Childhood millage, will work throughout the county coordinating services to children and families. Kent ISD is currently helping to connect childcare facilities that have openings with essential care workers needing childcare. Director Karsten stated that the qualifications are very broad as various counties have hired a variety of different backgrounds to effectively fill this position.

Ayes: Members Drake, James, Rettig, Bajema and Haidle
Motion declared to have carried.

Upon motion of Member Rettig, supported by Member Drake, it was resolved to approve the 2020 Summer Calendar Recommendations. President Haidle asked if this was still reasonable and likely to happen? Assistant Superintendent Sullivan stated that Kent ISD is planning ahead for business as usual in the hopes that things will be back to normal, and that summer hours would be contingent on Kent ISD being back to operating its normal hours.

Ayes: Members James, Rettig, Bajema, Drake and Haidle
Nays: None
Motion declared to have carried.

Upon motion of Member Rettig, supported by Member Drake, it was resolved to approve the bid from ManagedWay at a three year total cost of $55,654.00 for internet access for the ISD’s “Bring Your Own Device” network used by both staff and students.

Ayes: Members Rettig, Bajema, Drake, James and Haidle
Nays: None
Motion declared to have carried.

Upon motion of Member Bajema, supported by Member Rettig, it was resolved to approve the recommendation that the Kent ISD Special Education Center Programs assume responsibility for the administration of the Northview Deaf and Hard of Hearing Program. Superintendent Caniff thanked Director Dymowski and the HR staff for all their work the past several months to help assure a smooth transition. This transition was at the request of Northview and upon review it provides support and collaboration with local districts. President Haidle noted that the Northview board is in favor and has already approved this recommendation.

Ayes: Members Bajema, Drake, James, Rettig and Haidle
Nays: None
Motion declared to have carried.

Upon motion of Member Drake, supported by Member Rettig, it was resolved to retroactively approve the purchase of 1,000 Chromebooks in the amount of $201,700 purchased on March 31, 2020 pursuant to Board Policy 6320 to be used for remote learning by local district students. Superintendent Caniff thanked Director Finkel for his ability to secure these devices during this time of such short supply. He gave the breakdown of which local districts received these Chromebooks to use during this stay at home order. These are on loan and will be returned to Kent ISD after this remote learning period and deployed in our Kent ISD programs.

Ayes: Members Drake, James, Rettig, Bajema and Haidle
Nays: None
Motion declared to have carried.
Upon motion of Member Bajema, supported by Member James, it was resolved to approve the Budget Hearing for May 18, 2020 at 5:30 p.m. and the “Notice of Public Hearing” to be published in the Grand Rapids Press. Superintendent Caniff outlined the steps that would be followed if we hold this meeting at the ESC and stated the posting will be modified if necessary if we are unable to meet in person.

Ayes: Members James, Rettig, Bajema, Drake and Haidle
Nays: None

*Note – Member James left the meeting due to a prior commitment.

Upon motion of Member Rettig, supported by Member Drake, it was resolved to combine and approve the amendments to the following 2019-2020 budgets: General Education Operating, Special Education Operating, Community Service, Career Technical Education Operating, Cooperative Education Operating, Student/School Activity, General Education Capital Projects, Special Education Capital Projects and CTE Capital Projects. A copy of the amendment resolutions is included with the legal minutes of this meeting. Assistant Superintendent Philipps reviewed the recommended amendments and the status of the budgets. He noted that $1 million was transferred from the Special Education budget to the Special Education Capital Projects budget to cover 2018-2019 invoices recently received from Grand Rapids Public Schools and additional expenses at Lincoln School that were found during the initial renovation. He noted that the Cooperative Education budget surplus has increased due to an increase in MySchool@Kent revenue.

Ayes: Members Rettig, Bajema, Drake and Haidle
Nays: None

*Motion declared to have carried.*

Upon motion of Member Bajema, supported by Member Rettig, it was resolved to approve the payment of Act 18 funds to local districts in the amount of $19,322,870. Assistant Superintendent Philipps noted that this is the final 25% payment to local districts. A total of $84.8 million has been paid out for the 2019-2020 school year. $22.5 million went to the Kent ISD Center programs.

Ayes: Members Bajema, Drake, Rettig and Haidle
Nays: None

*Motion declared to have carried.*

Upon motion of Member Drake, supported by Member Bajema, it was resolved to approve Progressive AE for both design and construction management for the welding program expansion at a project cost of $950,000. Director Peraino stated that this project has been planned to support the expansion of the welding program due to increased interest and enrollment. Construction will start as soon as the current Executive Order allows. We plan to have this ready for student use this fall.

Ayes: Members Drake, Rettig, Bajema and Haidle
Nays: None

*Motion declared to have carried.*
Upon motion of Member Rettig, supported by Member Bajema, it was resolved to approve OAK Construction as construction manager for the repair of the Lincoln School cafeteria/kitchen area at a cost of $300,000. Director Peraino stated that this will address issues found in the original renovation work such as the radiant heating system and structural issues supporting the kitchen. This is a change order to the original contract and original subcontractors will be used to complete this work.

Ayes: Members Rettig, Bajema, Drake and Haidle
Nays: None
Motion declared to have carried.

Upon motion of Member Drake, supported by Member Bajema, it was resolved to approve the proposed amendment to the Software License and Purchase Agreement between Curriculum Crafter and Kent ISD. Superintendent Caniff reviewed the original contract and the reasons for the proposed amendment. The revised agreement requires a three-year payoff for the sale price of $800,000.

Note: Member James returned to this virtual meeting.

Ayes: Members Bajema, Drake, Rettig and Haidle (Member James abstained from this vote)
Nays: None
Motion declared to have carried.

Assistant Superintendent Philipps reviewed the 2020-2021 Capital Outlay requests. These expenditures are based on a 3% projected increase in taxable value (TV). The total request was for $3,404,250. After review $2,187,882 was approved, which is 64% of the requested funding. $1.4 million is designated towards new/replacement equipment and building improvements.

Assistant Superintendent Philipps presented a review of the 2020-2021 budget that will be presented to local districts in May. He noted that the Special Education Center Program budget is not included and will be presented at the May budget hearing. He reviewed the Kent ISD Vision and how the budget is built around helping students succeed. Assistant Superintendent Philipps noted that the COVID-19 health crisis has significantly changed the 2020-2021 state funding budget assumptions since January. While the 2020 property tax assessments were completed prior to this crisis, the 2021 taxable value growth will likely be flat or declining. He reminded members that staffing increases are only approved in situations where student numbers or needs dictate an increase.

Assistant Superintendent Philipps reviewed the January budget assumptions. TV was projected to have a 3% increase, and the TV increase was actually 4.94%. This represents an 18.5% TV growth over the last six years. However, due to the Headlee amendment and millage reductions the actual amount received next year will be less. Therefore the TV budget assumption has been increased from 3% to 3.5% (not the entire 4.94%). Assistant Superintendent Philipps stated that he is expecting zero or negative growth for 2021.

Assistant Superintendent Philipps stated that we projected no cut in state funding this year, however due to the current situation this might not be feasible. He reviewed the current data that indicates a possible 10% reduction to the School Aid Fund (SAF) for the current year. He reviewed
his modeling projections. One U of M study shows a decrease of $2.6 billion in state revenue this fiscal year (through September 30) and an additional $3.2 billion in reduced state revenues for the 2020-2021 fiscal year. This could significantly affect the SAF. He reviewed the State funding January assumptions, the Governor’s February recommendation, and the current assumption (a 10% decrease in most state funds) and how this would affect ISD programs. GSRP funding has not been increased since 2014 and is now expected to remain flat.

Investment income was projected to be $825,000, and will most likely be much lower. He reviewed the earning rate, which has dropped significantly from July 2019. The current proposed 2020-2021 investment income amount is $100,000.

Assistant Superintendent Philipps stated that the Health Benefit cost increase for 2021 is 3.3%, higher than the 2.5% assumption. The MPSERS retirement rate will see a .46% increase, close to the projected .5% increase. Capital Outlay remains at a 3% increase. He reviewed staffing additions and reductions and the cost of these changes.

Assistant Superintendent Philipps reviewed the various fund projections. The General fund is currently projected to have a $604,000 deficit in 2020-2021. Part of this is attributed to the GSRP expenses of the program exceeding the grant dollars received. 2019-2020 was the last year of the $1 million annual transfer from the General fund to capital projects for the fiber project. The fund balance is still healthy, but achieving structural balance for 2021-2022 will be a goal.

The Special Education fund has a healthy structural surplus due to taxable value growth. There was a $1 million transfer to capital projects in 2019-2020 to cover expenses at Straight and Lincoln school. The projected fund balance at the end of 2020-2021 provides flexibility for additional transfer to capital projects, or supplemental Act 18 payments to local districts.

The CTE fund had healthy growth from 2015-2019, but has had deficits for the 2019-2020 and 2020-2021 school years. The fund balance remains strong. Kent ISD will need to be mindful of taxable values in futures years and how this will impact available revenues.

The Cooperative Education fund saw a $400,000 increase in MySchool@Kent tuition due to the increase in students enrolled. There was a $175,000 reduction in transfers into this account from other funds. The Community Service fund has a $0 balance as these are the enhancement millage funds levied for the local districts and all revenue is paid out to local districts. The amount distributed is approximately $240 per pupil in 2020-2021.

Assistant Superintendent Philipps reviewed the Capital Project funds. The GE Capital Projects 2020-2021 expenses represent the wrap up of the fiber project. The SE Capital Projects 2020-2021 budget has a $2 million placeholder for continued Lincoln work. The CTE Capital Projects 2020-2021 budget has a $3.5 million placeholder for welding, health careers and family careers.

Assistant Superintendent Philipps stated that the fund reserves are healthy in all of our funds. The current COVID-19 health crisis will have a significant economic impact and will effect future taxable value growth. Member Rettig asked if there should be any cuts made currently? While the current priority has been supporting districts and prioritizing remote learning, Superintendent Caniff stated that we are reviewing all expenses and recommendations. Assistant Superintendent Philipps stated that the ISD budget will have greater impacts farther down the road (2021-2022 school year) and it is yet unclear on what those will be. We have time to plan for these changes.
The Adult Education and GSRP programs may be the first to be affected. It is also unclear if we will receive any federal relief to school systems.

Chris Glass gave a brief legislative report. He stated that the daily increases of COVID-19 infections are beginning to shrink and that testing capacity is building up in the state. He anticipates that the stay-at-home orders may be relaxed starting as early as May 1, but that things will reopen in tiers to help avoid a second wave of infections. There has been much discussion in Lansing on how to responsibly start up the economy and businesses. The status of the budget and the affect of this shut-down remain unknown, and the completion of the budget will likely be delayed past June 30. The May consensus revenue estimating conference is scheduled for May 15. It is unclear whether we will receive any Federal Government relief. Glass stated that West Michigan has received positive press for the action steps taken that have helped mitigate the spread of this disease.

President Haidle stated that she received a ballot from the KIASB President, Laura Featherston, regarding the spring election for candidates for the KIASB board of directors. Since KIASB was unable to hold their spring event they have sent ballots to all districts with a June 1 deadline to return to the KIASB president. She reviewed the three candidates running for three open seats.

Upon motion of Member Bajema, supported by Member Drake, it was resolved to add this item to the agenda and to cast votes for the following three candidates for the KIASB board of directors:

- Anne Hamming
- Katherine Downes Lewis
- Beth Milanowski

Ayes: Members Rettig, Bajema, Drake, James and Haidle
Nays: None

Motion declared to have carried.

President Haidle will send the ballot in to the KIASB President with the choices of the Kent ISD school board.

Superintendent Caniff reported that all of the local district Continuity of Learning plans have been submitted, approved, and uploaded to the state. A total of 22 plans were submitted, which included one charter school sponsored by GRPS and the Kent ISD plan. He thanked the Kent ISD review team for their excellent work and quick turn-around on these plans. He thanked Assistant Superintendent Philipps and the business office for their work on the 2020-2021 budget. Superintendent Caniff wished a fond farewell to our long-time Early-On Coordinator, Barbara Corbin, who retired last month. Her long-time assistant, Dawn Hovarter, is also retiring. He thanked the Early Childhood department and Bright Beginnings for their continued support to families via remote visits and coordinating child care for essential workers.

The meeting was adjourned by President Haidle at 7:35 p.m.

Minutes Approved: May 18, 2020

Andrea Haidle, President

Claudia Bajema, Secretary