



## Board of Education

Racine Unified School District  
3109 Mt. Pleasant Street, Racine, Wisconsin 53404

### WORK SESSION MINUTES

---

Michael Frontier, President

Dennis Wiser, Vice President

---

Racine, Wisconsin

March 6, 2017

---

Dennis Wiser, vice president of the Board of Education of the Racine Unified School District of Racine County, Wisconsin, called to order a Board Work Session at 6:01 p.m. on Monday, March 6, 2017.

The following Board members were present: Michael Frontier, Matthew Hanser, John Heckenlively, Steven Hooper, Julie L. McKenna, Don J. Nielsen, Dennis Wiser, and Robert Wittke, Jr. Absent: Michelle Duchow.

Also present: Lolli Haws, Superintendent; Marc Duff, Chief Financial Officer; Dave Hazen, Chief of Operations; Rosalie Daca, Chief Academic Officer; Julie Landry, Chief of Human Capital; Dan Thielen, Chief of Secondary School Transformation; Stacy Tapp, Chief of Communications and Community Engagement; Christopher Thompson, Executive Director of Curriculum and Instruction; and Elizabeth Tobias, Recording Secretary.

#### 1. **Facility Summer Projects Update**

Mr. Hazen presented an update on 2017-18 facility projects. Major points of the presentation and discussion included:

- 2017-18 Landscape, Sign & Playground Rolling Plan
- Additional summer projects
- Nine facilities with capital project work
  - Case High School Hammes Field Track
  - Horlick High School Trades, science labs, library accessibility
  - Park High School auditorium
  - Jerstad-Agerholm performance contract
  - Roosevelt Elementary parking lot
  - McKinley Middle School fire alarm
  - ASC building #2 HVAC replacement
- Three facilities with major project work
  - Alternative Education facility
  - Horlick High School Science wing addition
  - REAL School construction
- Four facilities with additional flooring work (Jefferson, Bull Fine Arts, Mitchell Middle, Goodland)

##### a. **Alternative Center Construction**

An Alternative Center Construction Manager will conduct services associated with planning, design development, and construction for the proposed Alternative Center build-out. An RFP was

issued in July for Construction Manager Request Multi-Year Contract and there were five responses. A selection committee was created and three firms were selected based on the RFP responses. The scope of the services provides the following: a remodel of existing space at the Alternative Center to create space to accommodate the Turning Point Academy. Opening date is planned to be September 1, 2017. Total fee for services is not to exceed \$187,275 based on current construction costs estimated of \$2,100,000.

**b. REAL School Construction Budget**

A draft of this action item was shared with the Board in regards to the construction of REAL School. School facilities will be constructed at the Sturtevant Sportsplex at 10116 Stellar Avenue, to replace the existing school located in the former Olympia Brown facility. The school will be a middle and high school facility with a capacity for 525 students. Funding for the project will be financed using State Trust Fund Loan.

**c. Horlick High School Science Lab & CTE Building**

Purchase of science room casework for the new construction and renovation of science classrooms at Horlick High School. The purchase is to meet the lead-time for this item so that the casework is on-site when needed for construction. Funding for the project will be financed using referendum funds from FY2018.

Construction of the Construction Trades Building at Horlick High School. The construction will be a 3,444 square foot detached structure located on the southeast corner of the school. The building requires masonry, therefore cost is going up approximately \$150,000. Funding for the project will be financed using CTE grant funds and referendum funds from FY2017.

**2. Facilities Projects Financing**

Mr. Hazen presented information on a financing plan in regards to the facilities projects. Major points of the presentation and discussion included:

- Board will be asked to authorize \$8 million, 20-year bond for Jerstad-Agerholm performance contract on March 20, 2017
- Board will be asked to authorize \$6.75 million in the form of a State Trust Fund Loan on March 20, 2017
  - Refund general fund \$1.15 million for the purchase of Alternative Education Center
  - Provide \$3.5 million for REAL School build-out
  - Provide \$2.1 million for Alternative Education Center build-out

Discussion and questions from the Board included the following:

- Is the cost for furniture for REAL School included in the financing? (No it does not. Will purchase new furniture, but will require separate funding).
- Will the Alternative Education Center fill up the space in the building? (No, there will still be space available. Priority this summer for getting the Turning Point Academy and virtual learning in the building.)
- What about food services in the Alt Education Center? (Will be no different than other sites; food will be delivered and served. There may be more than one cafeteria due to the mix of students).
- Has Administration met with neighbors and explain the use of the building? (This has not been done at this point in time. The outside of the building will have an improved look, but there will not be much of an impact to the neighborhood otherwise.)

### 3. **Budget Development for FY18**

Mr. Duff presented FY18 budget assumptions and tracking report to the Board. Major points of the presentation and discussion included:

- Enrollment
  - Projecting declining enrollment
  - Flat open enrollment out
  - Tax levy for voucher enrollment
- Expenses
  - Open Enrollment – adding \$400,000 in expenses to the District (\$9.4 million).
  - Staffing – currently working through the schools and determining staffing. Updates will be given at a later date. There will be some efficiencies due to the closing of the Racine Civil Leaders Academy (approximately \$750,000). In addition, AGR implementation (formerly Sage), will lead to further savings.
  - Health Insurance Costs – projecting a 4.25% increase over prior year (approximately \$1.6 million). Final renewal amount in May.
  - Savings from Retirements and Resignations – this is currently pending.
  - Textbook Adoption – at this point assuming to be an additional \$1 million.
  - Operational Cost Inflationary Adjustment – this has not been included yet in these assumptions.
- Revenues
  - Revenue Limit – declining by \$550,000. Governor did propose \$200/pupil in categorical aid; but not yet endorsed by everyone in Legislature. This will be monitored going forward.
  - State Categorical Aid – \$4 million
  - Federal Funds Estimate – reduction in these federal funds and spending in the carryover amount
- Staffing
  - FTE update will be given when information is available
- Tax Impact
  - Voucher Levy – projecting to go up to \$14 million; does have an impact on our tax levy and is considered an expense
  - Property Valuation – should see a slight increase in property values
  - State General Aid (Property Tax Relief) – projecting getting little additional state aid to decrease property taxes
  - Not proposing any tax levy changes to the Community Service Fund. As Administration works through the budget, there may be some recommendations.
  - Not proposing any new performance contract levy, but there will be some adjustments made to pay for debt services
- Funding Considerations
  - Various considerations totaling \$7.68 million

#### Discussion and Questions

- Do we track students who come in and out of the District? (Occasionally we do get children to return to the District. The enrollment center is trying to track that information).
- Has the spousal coordination of benefits reduced the health care cost? (Yes, even with that, we are predicting that health insurance costs will increase. Without the coordination of benefits, costs would have been higher. We will have better numbers in May).
- Savings in snow removal, if not needed? (In May, there will be a budget adjustment for costs such as overtime and fuel in regards to snow removal).

- In reviewing the funding considerations, is there a reason why there are no amounts listed for the additional elementary reading and instructional coaches? (These positions are approximately \$80,000 to \$100,000 per coach with benefits).
- How would you characterize the enrollment numbers? Are they conservative? (Administration is working on processes to help us determine the best estimates; we need a better process and will be more careful in making assumptions).
- Has the Report Card Taskforce identified anything else that would be helpful in the schools? (Support of technology; new curriculum for English, language arts, writing – teachers will need to have a lot of support through the year when this change happens).
- Where is the cost for BoardDocs? The Board also needs to review the Board budget. (Administration can add \$10,000 for the cost of BoardDocs. The Governance Committee will be reviewing the Board budget later this month).
- Increasing building maintenance funding by \$300,000 – moving that to the expense side.

#### **4. Board of Education Committee Reports**

##### **a. Audit Committee**

Ms. McKenna reported there was not an Audit Committee meeting last month. There is a meeting scheduled for Monday, March 13 at 5:00 p.m.

##### **b. Legislative Committee**

Mr. Wittke reported a couple of Board members attended the WASB Annual Convention and our delegate, John Heckenlively, voted on a resolution in regards to school start times. The Committee continues to work on resolutions it would like to see the Board support and send to legislators.

##### **c. Governance Committee**

Mr. Hanser reported the Governance Committee will meet on Tuesday, March 14 and discuss several referrals that have come through along with the Board budget.

#### **5. Guiding Change Document**

In order to have changes to the Employee Handbook made as smoothly as possible, Mr. Wisner would like to have the Board review the Guiding Change Document for the Employee Handbook and see if there are any changes that need to be made. If any Board members have thoughts on this process, please reach out to Mr. Wisner.

The session ended at 7:25 p.m.