

**MINUTES OF THE MEETING OF THE BOARD OF EDUCATION
OF DISTRICT 497, HELD IN THE LAWRENCE PUBLIC SCHOOLS
INTERACTIVE TECHNOLOGY CENTER,
EDUCATIONAL SUPPORT AND DISTRIBUTION CENTER,
110 McDONALD DRIVE, IN THE CITY OF LAWRENCE**

August 22, 2017

CALL TO ORDER

At 5:31 p.m., Board President Shannon Kimball called to order the special meeting of the Board of Education.

APPROVAL OF AGENDA

Upon a motion by Vanessa Sanburn, seconded by Marcel Harmon, the board voted, in a unanimous voice vote, to approve the agenda, as published.

ROLL CALL

<u>Board Members Present</u>		<u>ELT Members Present</u>	
Shannon Kimball, president		Anna Stubblefield, superintendent of schools	
Jessica Beeson, vice president		David Cunningham, executive director, human resources/chief legal counsel	
Jill Fincher		Julie Boyle, executive director, communications	
Marcel Harmon		Kyle Hayden, chief operations officer	
Melissa Johnson		Kathy Johnson, executive director, finance	
Vanessa Sanburn		Paula Murrish, executive director, nutrition & wellness, printing & purchasing	
<u>Absent</u>		Dawn Downing, deputy clerk	
Rick Ingram			

<u>Others Present (Including Administration and Staff)</u>			
Kristin Abbey	David Arteberry	Ceri Goulter	Bob Hatem
Joanna Hlavecek, LJWorld	Brian Jordan	Danny Speicher	

NEW BUSINESS

2017-18 Budget Hearing and Approval

Kathy Johnson, executive director of finance, explained that the 2017-18 published budget reflected the maximum amount of taxes to be levied at 56.863 mills. The board conducted its annual public budget hearing of its 2017-18 budget of \$159,594,873. The budget reflects a tax increase of 3.5 mills. A mill is \$1 of taxes for every \$1,000 of assessed value of property. After three years of flat funding under the state's block-grant system, the Kansas Legislature in June of 2017 approved a new school finance formula. The formula's calculation of the Local Option Budget caused the local mill levy to spike as a result of growth in the "district's wealth" (assessed valuation) and a corresponding

reduction in state aid. While other levied funds decreased by .578 mill, an increase of 2.881 mills was necessary to make up the difference in the LOB with local revenue.

Upon a motion by Vanessa Sanburn, seconded by Melissa Johnson, the board approved in a 6-0 roll call vote the 2017-18 budget as published.

Reports & Approvals ~

- **Resolution for Sale of 2017 Bonds**

Mrs. Johnson discussed the 87 million-bond issue that USD 497 voters approved for secondary school facility improvements. The tax impact of the bond issue is an estimated increase of 2.4 mills. The district plans to sell only half of the bonds in 2017-18 to lessen the overall tax burden budget impact on taxpayers this year and will strategically build the bond repayment schedule so as to minimize future bond interest expense. (See Attachment 1)

This change in the Bond and Interest Fund accounts for the remainder of the mill levy increase, 1.2 mills or half of the anticipated 2.4 mills required for bond repayment.

Upon a motion by Marcel Harmon, seconded by Jessica Beeson, the board approved in a 6-0 roll call vote the resolution authorizing staff to work with district financial advisors to prepare for the sale of \$43.5 million, half of the total \$87 million, in General Obligation bonds.

It is anticipated the sale of bonds will take place in September.

- **Administrator & Classified Salary**

David Cunningham shared the 2017-18 compensation and fringe benefits package for administrative staff and classified employees.

Upon a motion by Marcel Harmon, seconded by Jessica Beeson, the board approved in a 6-0 roll call vote the compensation and benefits package which included \$362,324 for administrative staff and \$1,279,661 for classified employees in addition to the board's monthly contribution of \$471.38 per employee to fully fund individual medical, dental and vision insurance coverage, and an increase in the 403(b) benefit from \$75/month to \$80/month for administrators and from \$55/month to \$60/month for classified employees.

*Mr. Cunningham, also shared that a tentative agreement, including a 6.09% increase in the salary pool for certified teaching staff, had been reached with the Lawrence Education Association. The Master Agreement must be ratified by the board and the LEA and will be addressed at the September 11th board meeting.

Board Work Session

The board members met with Brian Jordan from KASB to discuss considerations when selecting an executive search firm to hire for the superintendent search. (See Attachment 2)

ADJOURNMENT

At 6:35 p.m., a motion was made by Shannon Kimball, seconded by Vanessa Sanburn, to adjourn the special meeting of the Board of Education. The motion passed by a unanimous voice vote.

Dawn Downing
Deputy Clerk, Board of Education

RESOLUTION NO. 2017-0822

A RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL OBLIGATION BONDS, SERIES 2017-A, OF UNIFIED SCHOOL DISTRICT NO. 497, DOUGLAS COUNTY, KANSAS (LAWRENCE).

WHEREAS, Unified School District No. 497, Douglas County, Kansas (Lawrence) (the "Issuer"), is a unified school district, duly created, organized, and existing under the laws of the State of Kansas; and

WHEREAS, pursuant to proceedings duly had, an election was held on May 2, 2017, regarding whether to issue general obligation bonds in an amount not to exceed \$87,000,000 to pay the costs to construct additions to and renovate, improve, repair, equip and furnish Lawrence High School, the other existing secondary schools including Lawrence Free State High School, Liberty Memorial Central Middle School, South Middle School, Southwest Middle School, West Middle School, and the College and Career Center; to make technology improvements throughout the district; to undertake all other necessary improvements related thereto; and to pay fees and expenses related thereto (the "Improvements"); all pursuant to the provisions of K.S.A. 10-101 *et seq.*, K.S.A. 25-431 *et seq.*, K.S.A. 25-2018(f), K.S.A. 72-6761 and K.S.A. 75-2315 *et seq.*; and

WHEREAS, said question was approved by a majority of the voters of the Issuer voting thereon, said vote having been 14,330 for and 4,914 against said question; and

WHEREAS, the Issuer proposes the sale and issuance of \$43,500,000 of its general obligation bonds approved at the May 2, 2017 election to pay a portion of the costs of the Improvements; and

WHEREAS, the Issuer has selected the firm of George K. Baum & Company, Kansas City, Missouri, (the "Municipal Advisor"), as Municipal Advisor for one or more series of general obligation bonds of the Issuer to be issued in order to provide funds to permanently finance a portion of the Improvements; and

WHEREAS, the Issuer desires to authorize the Municipal Advisor to proceed with the offering for sale of said general obligation bonds and related activities; and

WHEREAS, one of the duties and responsibilities of the Issuer is to prepare and distribute a preliminary official statement relating to said general obligation bonds; and

WHEREAS, the Issuer desires to authorize the Municipal Advisor, in conjunction with the Director of Finance and Gilmore & Bell, P.C., Kansas City, Missouri ("Bond Counsel"), to proceed with the preparation and distribution of a preliminary official statement and notice of bond sale and to authorize the distribution thereof and all other preliminary action necessary to sell said general obligation bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF UNIFIED SCHOOL DISTRICT NO. 497, DOUGLAS COUNTY, KANSAS (LAWRENCE), AS FOLLOWS:

Section 1. The Issuer is hereby authorized to offer for sale the Issuer's General Obligation Bonds, Series 2017-A (the "Bonds") described in the Notice of Bond Sale, which is hereby approved in substantially the form presented to the governing body of the Issuer this date (the "Notice of Bond Sale"). All proposals for the purchase of the Bonds shall be delivered to the governing body of the Issuer at its meeting to be held on the sale date referenced in the Notice of Bond Sale, at which meeting the governing body of the Issuer shall review such bids and award the sale of the Bonds or reject all proposals. All proposals for the purchase of the Bonds shall be submitted upon the terms and conditions set forth in the Notice of Bond Sale, and shall be reviewed by the President, Director of Finance, Municipal Advisor and Bond Counsel as soon after the submittal hour as possible.

Section 2. The Executive Director of Finance in conjunction with Municipal Advisor and Bond Counsel is hereby authorized to cause to be prepared a Preliminary Official Statement relating to the Bonds (the "Preliminary Official Statement"), and such officials and other representatives of the Issuer are hereby authorized to use such document in connection with the sale of the Bonds.

Section 3. The Clerk, in conjunction with the Municipal Advisor and Bond Counsel, is hereby authorized and directed to give notice of said bond sale by publishing a summary of the

Notice of Bond Sale not less than 6 days before the date of the bond sale in a newspaper of general circulation in Douglas County, Kansas, and the *Kansas Register* and by distributing copies of the Notice of Bond Sale and Preliminary Official Statement to prospective purchasers of the Bonds. Proposals for the purchase of the Bonds shall be submitted upon the terms and conditions set forth in the Notice of Bond Sale, and awarded or rejected in the manner set forth in the Notice of Bond Sale.

Section 4. For the purpose of enabling the purchaser of the Bonds (the "Purchaser") to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"), the President and Director of Finance are hereby authorized: (a) to approve the form of the Preliminary Official Statement and to execute the "Certificate Deeming Preliminary Official Statement Final" in substantially the form attached hereto as *Exhibit A* as approval of the Preliminary Official Statement, such official's signature thereon being conclusive evidence of such official's and the Issuer's approval thereof; (b) covenant to provide continuous secondary market disclosure by annually transmitting certain financial information and operating data and other information necessary to comply with the Rule to the Municipal Securities Rulemaking Board; and (c) take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Purchaser to comply with the requirement of the Rule.

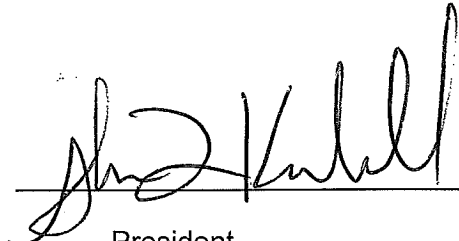
Section 5. The Issuer agrees to provide to the Purchaser within seven business days of the date of the sale of Bonds or within sufficient time to accompany any confirmation that requests payment from any customer of the Purchaser, whichever is earlier, sufficient copies of the final Official Statement to enable the Purchaser to comply with the requirements of the Rule and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

Section 6. The President, Clerk and the other officers and representatives of the Issuer, the Municipal Advisor and Bond Counsel are hereby authorized and directed to take such other action as may be necessary to carry out the sale of the Bonds, including the execution of the Fiduciary Engagement Agreement for Municipal Advisory Services Agreement in substantially the form attached hereto as *Exhibit B*.

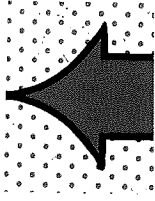
Section 7. This Resolution shall be in full force and effect from and after its adoption.

ADOPTED by the governing body on August 22, 2017.

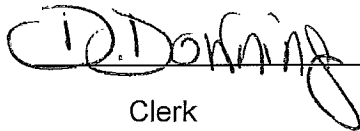
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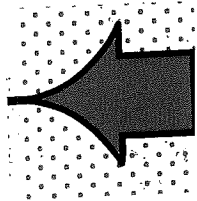
President



ATTEST:



Clerk





Considerations When Selecting Executive Search Firm

Selecting a new executive to serve as the district's educational leader is the single most important decision the board of education will make. Recent studies show that district leadership makes a difference in school districts being successful with student achievement. Boards of education should seek professional assistance with this important task, the following list outlines the key considerations when seeking professional assistance.

1. Control of the search process should be with the board of education. The search firm should provide recommendations, related to best practices, then build the search process in alignment with the board of education's wishes.
2. Consider who the search firm is ultimately working for, the board of education or the candidates. In some cases, firms maintain a list of candidates that they work to place in desirable positions, versus conducting the search and vetting candidates that are choosing to pursue the open position.
3. Support and guidance through the process is essential for the board of education. Consultants should be willing to work with the board of education to provide guidance related to search related issues. Support and guidance should be included in the cost of the search and be simple to access, *i.e.* direct access to consultant.
4. Marketing of the vacancy should be done through outlets that are frequented by candidates pursuing executive leader positions. Search firm websites, association websites, and state job sites all coupled with social media, should be expected as a minimum.
5. Defining of a concise list of desired characteristics, the new executive must possess is important to finding the best fit. During the vetting or screening process these characteristics should be utilized to identify candidates that would be the best fit for your district and community.
6. Disclosing of established methods to gather firsthand knowledge related to the candidates'; professional capabilities, experiences, relationship with their current school board and character should be expected. Additionally, the search consultants should disclose any findings from a thorough review of the candidates' digital presence.
7. Preparation for interviewing, and organizing the interview process should be supported by the search consultant. Guidance in the development of the interview process, including the development of legal and ethical interview questions, as well as an interview schedule and structure should be considered.



Considerations When Selecting Executive Search Firm

8. Expectation of sharing all the applicants that have applied for the position, and the retaining of application materials as district property at the conclusion of the search is an assurance that the firm is working for the board of education.

9. Conducting of background checks along with the disclosure of the findings of is an important step to lessen the chance of a costly step in the search process. At a minimum the background check should cover, state and federal crimes, social security number verification, and outstanding warrants or charges.

10. Recommended final candidates to the board of education must have a current Kansas professional license that meets the requirements of the position, or be capable of securing such a license. In some cases, candidates will be in the process of securing a license or attempting to get a Kansas license after having the appropriate license in another state. Full disclosure of the candidates' license status is a must at the presentation of candidates.

11. Support for the board of education as the new executive transitions into the position is an important first step to get both parties on the same page related to focus areas of the system, and expectations between the board of education and the executive.

12. Guaranteeing the successful placement of an executive indicates that the search process met the needs and desired characteristics selected by the board of education.

Questions Call KASB or Email

1-800-432-2471

edservices@kasb.org