

Policy & Governance Meeting Minutes
September 9, 2019

Present: Laurie Klinkhammer, Eric Torres, Charles Vue

Also present: Mary Ann Hardebeck, Abby Johnson, Jim Schmitt, Meta Miske Recording Secretary

Meeting called to order at 8:30am by Dr. Torres.

No members of the public present for public comment.

Resolution on Clean Energy

Dr. Torres shared that this initiative is coming from Representative Kate Beaton from the Eau Claire City Council. The City and County have set some goals for clean energy and encouraged ECASD to consider the same goals to address climate change. Dr. Torres met with Ms. Beaton a few weeks ago and briefed her on the initiatives that ECASD has already been doing/working on for a few years and she was pleasantly surprised. Ms. Beaton encouraged ECASD to turn the work already being done into a policy statement. She provided Dr. Torres a copy of a resolution from the Madison Metropolitan School District, which is the only district in the state with a resolution like this.

Since ECASD has already begun the work and has been acknowledged by the Eau Claire Chamber of Commerce as a “Green Business”, Dr. Torres said it would be a good idea to draft a policy like Madison Metropolitan’s. Dr. Hardebeck recommended starting with what the ECASD has already done in terms of both energy-saving and cost-saving initiatives. She thinks there are things the District could do to highlight some of our initiatives. Ms. Klinkhammer thinks that would be a good way to go. She heard feedback when the City of Eau Claire created their resolution that there was a perception of there being bigger problems to focus on; it’s not that clean and renewable energy aren’t important, it’s the perception that a lot of time was spent discussing the resolution when there was more important work to do. Ms. Klinkhammer wants to be careful not to connect the District’s initiative with the City of Eau Claire’s initiative and said she liked the Madison Metropolitan resolution. Mr. Vue said the resolution should be less wordy and more about priorities; it should be concise and to-the-point. Ms. Klinkhammer said partnering with places like Mayo, UWEC, etc. to subtly address the issue could be nice.

Dr. Hardebeck said the District can create press releases and videos which could help “sell” what the District is already doing. Dr. Torres said there are two ideas now: 1) Have administration create press items that highlight what the District is doing to be more efficient and eco-friendlier. 2) Have a resolution that establishes as policy our concern for the responsible and eco-friendly use of resources. Dr. Torres offered to draft the resolution. Mr. Vue asked if it could include an educational component for students and staff. Dr. Hardebeck said that component is already included in the new science curriculum. Mr. Schmitt said the next-generation science standards adopted by the state include an energy component. He thinks the Science Curriculum Team would be very interested to know the Board is also concerned about education on this topic. Ms. Klinkhammer said the more the Board can tie its position to action the better, so the intent comes through and doesn’t appear frivolous.

Dr. Torres said he will bring a draft or the resolution to the next session and asked for a report on how administration is going to focus on energy saving communication strategies.

Policy 751.5 – Student Transportation in Private Vehicles

Ms. Johnson said the committee has been working on this policy over the last couple of meetings. The changes discussed previously have been made to the draft and it is possibly ready for a vote to move forward to the Board. Ms. Johnson invited questions and comments.

Dr. Torres asked how often the District reviews its contract with Student Transit. Ms. Johnson said it is reviewed annually and the rates are tied to revenue. The budget is adopted in October, so the contract renewal is usually reviewed in November. Dr. Torres asked if there's a provision in the contract that indicates how often Student Transit renews their fleet. Ms. Johnson wasn't certain without looking at the contract. Ms. Klinkhammer suggested that there may be regulations regarding school bus age and Ms. Johnson agreed that may be the case as Student Transit is continually looking at upgrades to their fleet and has regular DOT inspections.

Dr. Torres asked if there can be a conversation about the kind of vehicles Student Transit uses since the District is talking about energy sources and being eco-friendly. Ms. Johnson said Student Transit is very conscious of their fleet and fuel, but she can ask Jim Fey to come to the next P&G meeting to talk about what Student Transit is doing so the District can tie it into its work and the resolution. Dr. Torres expressed concern that the City of Eau Claire is given money for transporting UWEC students and because of the low number of students using the transportation it equates to about \$5.50/trip the city receives. Dr. Torres wonders why the District isn't utilizing a method like this for K-12 students. Ms. Johnson said the District can use public transportation for some students such as high school students but it's not the go-to form of transportation. Dr. Torres shared that in Finland, public schools do not own athletic fields, everything is owned by the city and Phy Ed classes are held in city parks. They use public transportation to get there and transportation time is built into schedules. He said that's different, but when talking about high school students who live along city transportation routes, the District could look at having a conversation to consolidate and use less energy rather than duplicate resources.

Mr. Vue asked if the District is following a protocol for the vehicle requirements in the policy. Ms. Johnson said the District's insurance agent has provided guidelines which the District follows.

Policy 662.3 – Fund Balance

At the last meeting Ms. Johnson was asked to gather information from other school districts about their fund balance policies and if they require a percentage of fund balance. The committee was given time to read through the information Ms. Johnson provided.

Ms. Klinkhammer asked which district on the handout is closest to ECASD in size. Ms. Johnson thinks Oshkosh is closest. Dr. Torres confirmed the District has a policy, but it doesn't establish a percentage. Ms. Johnson agreed and is not necessarily recommending a percentage but said there needed to be a conversation about it to help drive the work of Budget Development Committee. She said they purposely avoided a percentage when creating the policy but now question if it should be included. Dr. Hardebeck said one reason to set a percentage is that if once it's clear the District is going to go below the percentage, it mandates Administration to make cuts. Cuts have historically been in the 20% side of the budget, not the 80% side. The District has been fortunate not to cut positions and increases to class size have been in the mid-range and not the high range. Dr. Hardebeck is not sure how long that can

continue if the Board wants to create a balanced budget. A percentage can help because it sets a mandate, but can hurt for the same reason.

Ms. Klinkhammer asked if Budget Development Committee sees a percentage as a necessary tool for their work? Dr. Hardebeck said she doesn't know how the committee feels about it, but it keeps coming up during discussion. They made \$1M in cuts to Buildings & Grounds last year by deferring equipment repairs/purchases and the District cannot continue to do that. Ms. Klinkhammer asked why they'd impose a percentage unless the purpose is to give someone a big ax to make cuts? She feels that is abdicating one's responsibility as a Board member.

Dr. Hardebeck said Kenosha's policy has a range of percentages (15%-20%) which forces them to have an annual conversation. It gives their board a tool to be able to designate money to a restricted fund for the year, and it's reviewed annually. Dr. Torres liked what Ms. Johnson proposed in the last meeting about having designations and committing funds for certain things. Dr. Hardebeck said in terms of something like Little Red, the Board could be very specific about what the funds from a possible sale could be used for, such as the building of a new school. Dr. Torres said he feels a percentage would be a tool so Budget Development Committee doesn't feel like the "bad guys" because there would be a policy on how to make cuts.

Dr. Hardebeck said the District almost has a number from the state to budget with and she'd like to be able to go to Budget Development Committee and what the Board priorities are so Budget Development Committee can budget accordingly. She said the Board has indicated they feel strongly about the mentor program and recruit/retain high quality staff, so Budget Development Committee has made sure that is factored into the budget. Mr. Vue said he continuously hears people refer to "the Board" but the idea of the whole Board sitting down with Administration and having a deep, thoughtful conversation about the budget hasn't happened; everybody takes a guess at what they think the Board said. He said there needs to be an open conversation about the budget based on strategic plan and realistic circumstances. Ms. Klinkhammer said she would refine this idea a bit by saying the Board hasn't been willing to have that deep conversation out in the public because it always seems to be tied to OPEB which has been the elephant in the room. She agrees the conversation needs to happen; she wouldn't say there hasn't been an opportunity, but rather that the Board has been reluctant.

Dr. Hardebeck said when Ms. Johnson talks about budget with the Board, she always reminds the Board about decisions they've already made along with what's left and room for discussion. She agrees that the OPEB question is still hanging out there. At the last Budget Development Committee meeting, Mark Goings made public comment that the OPEB discussion was over and asked Budget Development Committee to stop having the conversation. Mr. Vue said he typically sees one or two people working behind the scenes to represent the Board and doesn't think that's a healthy practice. Dr. Torres asked if they could have Policy & Governance meet with Budget Development Committee? Dr. Hardebeck said they'd have to schedule a work session and that the Exec Team has a work session tomorrow start finalizing their numbers. Dr. Torres agreed there needs to be a work session and Ms. Klinkhammer asked if they could schedule that outside of a Board meeting. She said she'd prefer a meeting at 8:00am. Dr. Torres said after the Exec Team meets, they will work to schedule a Board work session. He said he likes Kenosha's percentage range. Dr. Torres asked how often the District short-term borrows. Ms. Johnson said that after June 30, the District cannot short-term borrow until there's an adopted budget. Last year the District had a line of credit to help with cash-flow which it drew from three times and it worked very

well; it was very short-term, and Ms. Johnson said it saved the District about \$50,000 over having the funds in hand in the balance.

Mr. Vue what is the auditors' expectations regarding fund balance and their current comments? Ms. Johnson said the auditors' goal for the District is 25-40% fund balance. They work with many other districts, ECASD is the largest district they work with, and ECASD is in the middle to low end for current percentage compared to their other districts. The auditors are concerned about the fund balance just as the Board and District are. Dr. Torres reiterated that the Board will wait for the request to have a work-session and for the work session they will want the fund balance information and the information Ms. Johnson shared at the last meeting for the work session.

It was added that summer school and 4K are areas we should continue to grow in because they increase revenue.

Proposed Policy 675 – Construction Contracts

Ms. Johnson presented on behalf of Ms. Koller who was attending to a school issue. The committee reviewed the policy and made corrections to a few typos.

Motion by Laurie Klinkhammer, second by Charles Vue, to approve and send to the Board revisions to Policy 751.5 and new Policy 675. Motion carried by unanimous voice of approval.

Ms. Klinkhammer asked about Board members on continuing on LEAP Committee and having a discussion about the Charter School Policy. She said there is a nice structure in place now for staff-led endeavors to work through the process of becoming a LEAP Zone. She thinks it's problematic for Board members to be on the committee because they are giving feedback as a LEAP member and again as a Board member. She would like to have a conversation about the policy that assigns Board members to LEAP and perhaps remove Board members from committee membership. She said part of LEAP's task was to review the Charter School Policy. Ms. Klinkhammer doesn't think it's the appropriate place for that policy to be reviewed and would like to see it reviewed by Policy & Governance. She said there was some discussion of Board members returning to the Demographic Trends and Facility Planning Committee, but she thinks it would create the same problem of having to give feedback as a committee member and as a Board member. This discussion will be on the next Policy & Governance Agenda.

Dr. Hardebeck said the other item she's been asked to bring forward to Policy & Governance is the Eau Claire Public Schools Foundation (ECPSF) and their proposal for a Memorandum of Understanding (MOU) with the ECASD. Dr. Hardebeck shared that her office has asked twice for a copy of the MOU and have not yet received it; she shared that at the ECPSF's Retreat, it appeared that most of the trustees had copies of the MOU but Dr. Hardebeck wasn't provided with a copy, nor was Meta who was in attendance to take notes. It's a sensitive issue because ECPSF wants ALL donations to go through them. It was agreed that Policy & Governance is willing to discuss the MOU at the October 7 meeting if the MOU is provided to the committee in a timely fashion. Dr. Hardebeck and Meta will work with ECPSF to obtain a copy of MOU.

Adjourn

Motion by Laurie Klinkhammer, seconded by Charles Vue, to adjourn meeting. Motion carried by unanimous voice of approval. Meeting adjourned at 9:40 am.