

REGULAR MEETING OF
THE KENOSHA UNIFIED SCHOOL BOARD
HELD JUNE 23, 2015

A regular meeting of the Kenosha Unified School Board was held on Tuesday, June 23, 2015, at 7:00 P.M. in the Board Room of the Educational Support Center. Mrs. Coleman, President, presided.

The meeting was called to order at 7:02 P.M. with the following Board members present: Mr. Flood, Ms. Stevens, Mr. Kunich, Mr. Wade, Mrs. Snyder, Mr. Falkofske, and Mrs. Coleman. Dr. Savaglio-Jarvis was also present.

Mrs. Coleman, President, opened the meeting by announcing that this was a regular meeting of the School Board of Kenosha Unified School District. Notice of this regular meeting was given to the public by forwarding the complete agenda to all requesting radio stations and newspapers. Copies of the complete agenda are available for inspection at all public schools and at the Superintendent's office. Anyone desiring information as to forthcoming meetings should contact the Superintendent's office.

Mrs. Tanya Ruder, Executive Director of Community Partnerships and Media Relations, presented the Phi Delta Kappa Annual Award Winners, the Wisconsin Rtl Center PBIS Schools of Distinction and Merit Awards, and the Wisconsin Golf Coaches Association Academic All-State Honoree Award.

Dr. Savaglio-Jarvis presented an administrative appointment.

Ms. Stevens moved to appoint Timothy Lemke as the Coordinator of Special Education and Student Support effective July 1, 2015. Mr. Flood seconded the motion. Unanimously approved.

There was not a Student Ambassador present.

Mr. Flood gave the Legislative Report.

There were no views or comments by the public.

Board members made their responses and/or comments.

Mrs. Coleman made Board President remarks.

Dr. Savaglio-Jarvis gave the Superintendent's Report.

The Board considered the following Consent-Approve items:

Consent-Approve item XI-A – Revised Recommendations Concerning Appointments, Leaves of Absence, Retirements, and Resignations.

Consent-Approve item XI-B – Minutes of the 5/19/15, 5/21/15, and 5/26/15 Special Meetings & Executive Sessions, 5/19/15 and 5/21/15 Special Meetings and 5/26/15 Regular Meeting.

Consent-Approve item XI-C – Summary of Receipts, Wire Transfers, and Check Registers submitted by Mrs. Lisa Salo, Accounting Manager; Mr. Tarik Hamdan, Chief Financial Officer; and Dr. Sue Savaglio-Jarvis, excerpts follow:

“It is recommended that the May 2015 cash receipt deposits totaling \$657,440.93, and cash receipt wire transfers-in totaling \$14,217,790.94, be approved.

Check numbers 522366 through 523702 totaling \$8,031,029.49, and general operating wire transfers-out totaling \$437,879.60, are recommended for approval as the payments made are within budgeted allocations for the respective programs and projects.

It is recommended that the May 2015 net payroll and benefit EFT batches totaling \$13,338,738.84, and net payroll check batches totaling \$12,227.61, be approved.”

Consent-Approve item XI-D – Request to Participate in the Jacob K. Javits Gifted and Talented Student Education Program Grant submitted by Mr. David Tuttle, Coordinator of Gifted and Talented; Mrs. Julie Housaman, Assistant Superintendent of Teaching and Learning; and Dr. Savaglio-Jarvis, excerpts follow:

“The Jacob K. Javits Gifted and Talented Student Education Program is a federally funded grant program. The purpose of this grant program is to develop scientifically based research projects and strategies that are designed to build and enhance the ability of elementary and secondary schools to meet the special education needs of gifted and talented students. A major emphasis is placed on serving students traditionally underrepresented in gifted and talented programs including: economically disadvantaged, limited English proficient, and students with disabilities. The maximum grant awarded under this competition is \$400,000 with an anticipated average grant of \$350,000. The Wisconsin Department of Public Instruction is the grant applicant and the fiscal agent.

The Wisconsin Department of Public Instruction Gifted/Talented division has invited Green Bay Public Schools, Kenosha Unified School District, and Milwaukee Public Schools to participate in the project. The department’s application is based on including gifted education in a Response to Intervention (RTI) framework and improving educator practice to identify and serve English language learners and students with disabilities.

Kenosha Unified School district will create a District Leadership Cadre comprised of 4 to 8 district leaders and identify 25 teachers from 4 to 8 elementary schools to participate on the state level cadre and receive training in: analyzing data for disproportionality, implementing a RTI framework that includes services for high ability/high potential students, culturally responsive practices, USTARS-PLUS (a research-based program previously funded by Javits), content from a state-approved educator licensure program in gifted education, the Dual Capacity-Building framework, and Academic Parent Teacher Teams. All travel, training, and substitute teacher expenditures will be included in the grant funds; and no district funding match is required.

On June 9, 2015, the joint Audit/Budget/Finance and Curriculum/Program Standing Committees voted to forward this request to the school board for consideration. Administration recommends board approval to participate in the Jacob K. Javits Gifted and Talented Student Education Program Grant.”

Mrs. Snyder moved to approve the consent agenda with the Revised Recommendations Concerning Appointments, Leaves of Absence, Retirements, and Resignations. Mr. Wade seconded the motion. Unanimously approved.

Dr. Savaglio-Jarvis introduced Policy 5120 – Student Enrollment Reporting submitted by Mr. Kristopher Keckler, Executive Director of Information & Accountability, and Dr. Savaglio-Jarvis, excerpts follow:

“Policy 5120 - Student Enrollment Reporting was last updated in 1997. Multiple areas of Policy 5120 need to reflect current enrollment options and accountability. The enrollment language for high school students referenced the previously implemented block scheduling. To remove any potential liability for loss of student membership counting for aid purposes, high school students will be counted as full time if they are enrolled for at least 6.0 credits annually. This expectation will be aligned to the Graduation Policy 6456. Wisconsin statute 118.33 (1)(b) allows for one period of release at the high school level if the student is in good standing. Also, the recent expansion of dual credit enrollment options is no longer limited to post-secondary institutions.

On June 9, 2015, the Personnel/Policy Standing Committee voted to forward the proposed revisions to Policy 5120 – Student Enrollment Reporting to the board of education for approval as a first reading at the June 23, 2015, regular school board meeting. Administration recommends that the School Board approve as a first reading Policy 5120 - Student Enrollment Reporting, and move to a second reading at the July 28, 2015, regular school board meeting.”

Ms. Stevens moved to approve Policy 5120 – Student Enrollment Reporting as a first reading and move to a second reading at the July 28, 2015, regular school board meeting. Mrs. Snyder seconded the motion. Unanimously approved.

Dr. Savaglio-Jarvis introduced Policy and Rule 6456 – Graduation Requirements submitted by Dr. Bethany Ormseth, Assistant Superintendent of Secondary Schools; Mr. Keckler; and Dr. Savaglio-Jarvis, excerpts follow:

“Policy and Rule 6456 – Graduation Requirements defines the requirements for students to receive a district or school authorized diploma. The Department of Public Instruction (DPI) and the ACT assessment developers have made recent modifications to the available assessments and scoring system. DPI now dictates the newly created ACT Aspire for grades 9 and 10, which cover the core content areas. An additional mandate requires all grade 11 students to attempt the ACT and ACT WorkKeys during the designated ACT assessment date each spring. These new accountability assessments will become part of the student performance measures integrated with the school and district report cards. A new three (3) digit ACT Aspire score, with identified levels of proficiency, is aligned to the historical two (2) digit score for the ACT.

In December of 2013, Wisconsin Act 63 was approved to modify the Wisconsin high school graduation requirements starting with diploma requests for the 2016-17 school year. This law increased the math and science credit requirement from 2.0 to 3.0. KUSD already meets this requirement. The law also reinforced the expectation that resident school boards encourage students to obtain 8.5 elective credits. KUSD currently requires 7.5 elective credits, and specifically defines an additional .5 credit of consumer education, which is viewed as an elective, and totals 8.0 overall credits in the current KUSD policy. Based on the DPI recommendation, the overall credit requirement will move from 23.0 credits to 23.5 credits starting with diploma requests in the 2016-17 school year.

Due to the continued expansion and integration of online learning, both within traditional courses and virtual course enrollments, the online learning requirement is changing from a graduation requirement to an endorsement. The previously established online participation conditions will apply to this endorsement. Each high school administrator or designee maintains a current list of courses that meet the quality online criteria. The list is shared among the school counselors for greater coverage and accurate completion on the student transcript.

Other updates to the graduation policy include the DPI allowed authorization of a resident school district the power to grant a general diploma to students who successfully complete the Wisconsin Challenge Academy. Students participating in the STEP program (students with cognitive disabilities), who have a clearly defined graduation plan aligned to their approved individualized education plan will continue to have the ability to earn a general diploma, as noted by revised policy language.

The current acquisition cap of 28.0 credits is no longer relevant with current high school schedules. In previous years, students had the ability to enroll and attempt up to 8.0 credits a year in the normal school day. This would have allowed for up to 32.0 credits over a four-year period. In 2013-14, the high school schedule was modified to reflect a 7 period day, which allowed for up to 7.0 credits a year in the normal day. The current student schedule permits students to earn up to 28.0 credits in a four-year period during the regular school day. The enrollment status of high school students will now be aligned to the state expectation and proposed changes to KUSD Policy 5120 – Student Enrollment Reporting.

On June 9, 2015, the Curriculum/Program and Personnel/Policy Joint Standing Committee approved forwarding the proposed revisions to Policy and Rule 6456 Graduation Requirements to the board of education for approval as a first reading at the June 23, 2015, regular school board meeting. Administration recommends that the School Board approve as a first reading revised Policy and Rule 6456 Graduation Requirements, and move to a second reading at the July 28, 2015, regular school board meeting.”

Mr. Keckler and Dr. Ormseth gave a PowerPoint presentation pertaining to Policy and Rule 6456 – Graduation Requirements. Mr. Keckler presented information on the revised policy language for assessments, clarification language of diploma recognition for students with special needs, high school enrollment alignment for full time status and release language, removal of prior credit cap, revised competency diploma option (Iowa) timeline, board recognition of WI National Guard Challenge Academy, modification of the online learning requirement, and alignment to WI Act 63 (2013) graduation expectations.

Dr. Ormseth presented information on the impact of increasing the graduation requirement within the current student schedule structures. Mr. Keckler and Dr. Ormseth then answered questions from Board members.

Mr. Flood moved to approve Policy and Rule 6456 – Graduation Requirements as a first reading with the additional changes of the word “attempt” to “pass” in #1 under the online learning enforcement portion of the policy and the word “participate” to “pass” in #2 under the online learning portion of the policy. Mrs. Stevens seconded the motion. Unanimously approved.

Dr. Savaglio-Jarvis introduced the Lease with Option to Purchase Agreement Between Municipal Capital Finance and Kenosha Unified School District – Resolution 313 submitted by Mr. Robert Hofer, Purchasing Agent; Mr. Hamdan; and Dr. Savaglio-Jarvis, excerpts follow:

“On April 27, 2015, the board of education approved the replacement of existing multi-functional devices (copiers) with new equipment through Martin Group. The agreement is a four year (48 month) lease with a \$1 buy-out option on each unit. The leasing agreement is with Municipal Capital Finance, for a total annual cost of \$213,767.

Municipal Capital Finance requires the district to execute the attached lessee resolution (Resolution 313) as part of the agreement between Municipal Capital and Kenosha Unified School District.

Administration recommends that the board of education approve Resolution 313 as part of the leasing agreement with Municipal Capital Finance for the lease of copiers.”

Mr. Kunich moved to approve Resolution 313 as part of the leasing agreement with Municipal Capital Finance for the lease of copiers. Ms. Stevens seconded the motion. Unanimously approved.

Dr. Savaglio-Jarvis introduced the Resolution Authorizing the Issuance and Awarding the Sale of Approximately \$30,680,000 General Obligation Corporate Pursue Bonds, Series 2015 submitted by Mr. Hamdan and Dr. Savaglio-Jarvis, excerpts follow:

“At the November 25, 2014, regular school board meeting of the Kenosha Unified School District, the board voted unanimously to approve the proposed plan for an outdoor athletic improvements referendum not to exceed \$16,700,000. On January 27, 2015, the board followed up with the next step in the process by approving an initial resolution authorizing the necessary bonds to fund the project and a resolution calling for a referendum to submit the question to the electors for approval or rejection at the regularly scheduled election that took place on April 7, 2015. On that day 12,321 electors responded with a strong majority of 62% voting in favor of the referendum.

This bond issue will also refund existing debt consisting of General Obligation School Building Bonds, dated February 1, 2006, as part of the overall financing plan recommended by the district’s financial advisors, PMA Securities Inc. By refinancing the outstanding obligations in conjunction with the project financing, the district is working to

ease the impact to our taxpayers by reducing overall debt service cost and corresponding debt service tax levy.

On June 9, 2015, the Audit/Budget/Finance Committee reviewed the project and financing plan. Phil Hohlweck of PMA Securities was on hand to answer questions and provide further detail.

The actual resolution will be distributed on the night of the board meeting because the sale date and time of the bonds will occur on June 23, 2015, at 10:00 a.m. CDT.

Administration requests that the board (1) approve the resolution distributed this evening for the issuance and sale of bonds, and (2) authorize the board officers and district administration to execute all documents relating to the sale and issuance."

Mr. Hamdan was present and introduced Mrs. Michele Wiberg, Vice President of PMA Securities. She distributed and presented a bid summary and issuance structure for \$30,005,000 general obligation corporate purpose bonds (series 2015), a refinancing analysis, a finance plan, and the resolution authorizing the issuance and awarding of the sale of \$30,005,000 general obligation corporate purpose bonds (series 2015), which read as follows:

"WHEREAS, on January 27, 2015, the School Board of the Kenosha School District No. 1, Kenosha County, Wisconsin (the "District") adopted an Initial Resolution (the "Initial Resolution") authorizing the issuance of general obligation bonds in an amount not to exceed \$16,700,000 to raise funds for the purpose of paying the cost of constructing and improving outdoor athletic facilities for Bradford High School, Indian Trail High School and Academy, and Tremper High School, including constructing a new stadium for Bradford High School and renovating the stadium at Tremper High School, and acquiring furnishings, fixtures and equipment necessary to support the facilities (the "Project");

WHEREAS, school districts are authorized by the provisions of Section 67.04(2)(a), Wisconsin Statutes, to borrow money and to issue general obligation bonds for public purposes such as the Project;

WHEREAS, on January 27, 2015, the School Board adopted a resolution providing for a referendum election on the proposition of whether the Initial Resolution should be approved;

WHEREAS, on April 7, 2015, a referendum election (the "Referendum") was held in the District on the proposition of whether the Initial Resolution should be approved at which 7,945 votes were cast "YES" for approval of the Initial Resolution and 4,726 votes were cast "NO" for rejection of the Initial Resolution;

WHEREAS, the Board of Canvassers duly reported the aforesaid results to the District Clerk who has made said results public;

WHEREAS, the District hereby finds and determines that it is necessary, desirable and in the best interest of the District to raise funds for the purpose of paying the cost of refinancing certain outstanding obligations of the District, to wit: the callable portion of the

General Obligation School Building Bonds, dated February 1, 2006 (the "Refunded Obligations") (hereinafter the refinancing of the Refunded Obligations shall be referred to as the "Refunding");

WHEREAS, the School Board deems it to be necessary, desirable and in the best interest of the District to refund the Refunded Obligations for the purpose of achieving debt service cost savings;

WHEREAS, school districts are authorized by the provisions of Section 67.04, Wisconsin Statutes, to borrow money and issue general obligation refunding bonds to refinance their outstanding obligations;

WHEREAS, the District hereby finds and determines that it is necessary and desirable that the general obligation bonds authorized by the Initial Resolution and the Referendum and by this Resolution be combined, issued and sold as a single issue of bonds designated as "General Obligation Corporate Purpose Bonds, Series 2015" (the "Bonds") to finance the cost of the Project and the cost of the Refunding;

WHEREAS, the School Board deems it to be necessary, desirable and in the best interest of the District that the Bonds be issued in the aggregate principal amount of \$30,005,000 for the following purposes and in the following principal amounts: \$16,700,000 to finance the Project and \$13,305,000 to finance the Refunding;

WHEREAS, the District has directed PMA Securities, Inc. ("PMA") to take the steps necessary to sell the Bonds to pay the costs of the Project and the Refunding;

WHEREAS, PMA, in consultation with the officials of the District, prepared an Official Notice of Sale (a copy of which is attached hereto as Exhibit A and incorporated herein by this reference) setting forth the details of and the bid requirements for the Bonds and indicating that the Bonds would be offered for public sale on June 23, 2015;

WHEREAS, the District Clerk (in consultation with PMA) caused a form of notice of the sale to be published and/or announced and caused the Official Notice of Sale to be distributed to potential bidders offering the Bonds for public sale on June 23, 2015;

WHEREAS, the District has duly received bids for the Bonds as described on the Bid Tabulation attached hereto as Exhibit B and incorporated herein by this reference (the "Bid Tabulation"); and

WHEREAS, it has been determined that the bid proposal (the "Proposal") submitted by the financial institution listed first on the Bid Tabulation fully complies with the bid requirements set forth in the Official Notice of Sale and is deemed to be the most advantageous to the District. PMA has recommended that the District accept the Proposal. A copy of said Proposal submitted by such institution (the "Purchaser") is attached hereto as Exhibit C and incorporated herein by this reference.

NOW, THEREFORE, BE IT RESOLVED by the School Board of the District that:

Section 1A. Ratification of the Official Notice of Sale and Offering Materials. The School Board of the District hereby ratifies and approves the details of the Bonds set forth

in Exhibit A attached hereto as and for the details of the Bonds. The Official Notice of Sale and any other offering materials prepared and circulated by PMA are hereby ratified and approved in all respects. All actions taken by officers of the District and PMA in connection with the preparation and distribution of the Official Notice of Sale, and any other offering materials are hereby ratified and approved in all respects.

Section 1B. Authorization of the Bonds. For the purpose of paying the cost of the Refunding, there shall be borrowed an amount not to exceed \$13,305,000, such that the total amount borrowed pursuant to Section 67.04, Wisconsin Statutes, through the issuance of the Bonds, shall be the sum of THIRTY MILLION FIVE THOUSAND DOLLARS (\$30,005,000) for the purpose of paying the cost of the Project previously authorized by the Initial Resolution and the Referendum and the Refunding authorized by this Resolution.

Section 1C. Award of the Bonds. The Proposal of the Purchaser offering to purchase the Bonds for the sum set forth on the Proposal (as modified on the Bid Tabulation and reflected in the Pricing Summary referenced below and incorporated herein), plus accrued interest to the date of delivery, resulting in a true interest cost as set forth on the Proposal (as modified on the Bid Tabulation) is hereby accepted. The District President and District Clerk or other appropriate officers of the District are authorized and directed to execute an acceptance of the Proposal on behalf of the District. The good faith deposit of the Purchaser shall be retained by the District Treasurer until the closing of the bond issue, and any good faith deposits submitted by unsuccessful bidders shall be promptly returned. The Bonds shall bear interest at the rates set forth on the Proposal.

Section 2. Terms of the Bonds. The Bonds shall be designated "General Obligation Corporate Purpose Bonds, Series 2015"; shall be issued in the aggregate principal amount of \$30,005,000; shall be dated July 15, 2015; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and shall bear interest at the rates per annum and mature on April 1 of each year, in the years and principal amounts as set forth on the Pricing Summary attached hereto as Exhibit D-1 and incorporated herein by this reference. Interest shall be payable semi-annually on April 1 and October 1 of each year commencing on October 1, 2015. Interest shall be computed upon the basis of a 360 day year of twelve 30 day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board. The schedule of principal and interest payments due on the Bonds is set forth on the Debt Service Schedule attached hereto as Exhibit D-2 and incorporated herein by this reference (the "Schedule").

Section 2A. Designation of Maturities. For state law purposes, the Bonds of this issue which mature first are designated as being issued to refund the Refunded Obligations in the order in which the debt evidenced by said obligations were incurred and the remaining balance of the Bonds is designated to pay the cost of the Project.

Section 3. Redemption Provisions. The Bonds maturing on April 1, 2026 and thereafter shall be subject to redemption prior to maturity, at the option of the District, on April 1, 2025 or on any date thereafter. Said Bonds shall be redeemable as a whole or in part, and if in part, from maturities selected by the District and within each maturity, by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

Section 4. Form of the Bonds. The Bonds shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit E and incorporated herein by this reference.

Section 5. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Bonds as the same becomes due, the full faith, credit and resources of the District are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the District a direct annual irrepealable tax in the years 2015 through 2034 for the payments due in the years 2015 through 2035 in the amounts set forth on the Schedule. The amount of tax levied in the year 2015 shall be the total amount of debt service due on the Bonds in the years 2015 and 2016; provided that the amount of such tax carried onto the tax rolls shall be abated by any amounts appropriated pursuant to subsection (D) below which are applied to payment of principal of or interest on the Bonds in the year 2015.

(B) Tax Collection. So long as any part of the principal of or interest on the Bonds remains unpaid, the District shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Bonds, said tax shall be, from year to year, carried onto the tax roll of the District and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the District for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

(C) Additional Funds. If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal and/or interest payments on said Bonds when due, the requisite amounts shall be paid from other funds of the District then available, which sums shall be replaced upon the collection of the taxes herein levied.

(D) Appropriation. The District hereby appropriates from taxes levied in anticipation of the issuance of the Bonds, from amounts levied to pay debt service on the Refunded Obligations, proceeds of the Bonds or other funds of the District on hand a sum sufficient to be irrevocably deposited in the segregated Debt Service Fund Account created below and used to pay the interest on the Bonds coming due on October 1, 2015 as set forth on the Schedule.

Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the District, if one has not already been created, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the District may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for \$30,005,000 General Obligation Corporate Purpose Bonds, Series 2015, dated July 15, 2015" (the "Debt

Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Bonds is fully paid or otherwise extinguished. The District Treasurer shall deposit in the Debt Service Fund Account (i) all accrued interest received by the District at the time of delivery of and payment for the Bonds; (ii) any premium not used for the Refunding which may be received by the District above the par value of the Bonds and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Bonds when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Bonds when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Bonds until all such principal and interest has been paid in full and the Bonds canceled; provided (i) the funds to provide for each payment of principal of and interest on the Bonds prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Bonds may be used to reduce the next succeeding tax levy, or may, at the option of the District, be invested by purchasing the Bonds as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account. Any investment of the Debt Service Fund Account shall at all times conform with the provisions of the Internal Revenue Code of 1986, as amended (the "Code") and any applicable Treasury Regulations (the "Regulations").

(C) Remaining Monies. When all of the Bonds have been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the District, unless the School Board directs otherwise.

Section 7. Proceeds of the Bonds; Segregated Borrowed Money Fund. The proceeds of the Bonds (the "Bond Proceeds") (other than any premium not used for the Refunding and accrued interest which must be paid at the time of the delivery of the Bonds into the Debt Service Fund Account created above) shall be deposited into a special fund separate and distinct from all other funds of the District and disbursed solely for the purposes for which borrowed or for the payment of the principal of and the interest on the Bonds. In order to accomplish the purpose for which the Bonds are issued, proceeds of the Bonds shall be transferred to the Escrow Account, as provided in Section 17 hereof. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purposes for which the Bonds have been issued have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purposes shall be deposited in the Debt Service Fund Account.

Section 8. No Arbitrage. All investments made pursuant to this Resolution shall be Permitted Investments, but no such investment shall be made in such a manner as would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations and an officer of the District, charged with the responsibility for issuing the Bonds, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Bonds to the Purchaser which will permit the conclusion that the Bonds are not "arbitrage bonds," within the meaning of the Code or Regulations.

Section 9. Compliance with Federal Tax Laws. (a) The District represents and covenants that the projects financed by the Bonds and by the Refunded Obligations and the ownership, management and use of the projects will not cause the Bonds or the Refunded Obligations to be "private activity bonds" within the meaning of Section 141 of the Code. The District further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Bonds including, if applicable, the rebate requirements of Section 148(f) of the Code. The District further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The District Clerk or other officer of the District charged with the responsibility of issuing the Bonds shall provide an appropriate certificate of the District certifying that the District can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The District also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Bonds provided that in meeting such requirements the District will do so only to the extent consistent with the proceedings authorizing the Bonds and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

Section 10. Execution of the Bonds; Closing; Professional Services. The Bonds shall be issued in printed form, executed on behalf of the District by the manual or facsimile signatures of the District President and District Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the District of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Bonds may be imprinted on the Bonds in lieu of the manual signature of the officer but, unless the District has contracted with a fiscal agent to authenticate the Bonds, at least one of the signatures appearing on each Bond shall be a manual signature. In the event that either of the officers whose signatures appear on the Bonds shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Bonds and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The District hereby authorizes the officers and agents of the

District to enter into, on its behalf, agreements and contracts in conjunction with the Bonds, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Bonds is hereby ratified and approved in all respects.

Section 11. Payment of the Bonds; Fiscal Agent. The principal of and interest on the Bonds shall be paid by the District Clerk or District Treasurer (the "Fiscal Agent").

Section 12. Persons Treated as Owners; Transfer of Bonds. The District shall cause books for the registration and for the transfer of the Bonds to be kept by the Fiscal Agent. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Bond shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Any Bond may be transferred by the registered owner thereof by surrender of the Bond at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the District President and District Clerk shall execute and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Bond surrendered for transfer.

The District shall cooperate in any such transfer, and the District President and District Clerk are authorized to execute any new Bond or Bonds necessary to affect any such transfer.

Section 13. Record Date. The fifteenth day of each calendar month next preceding each interest payment date shall be the record date for the Bonds (the "Record Date"). Payment of interest on the Bonds on any interest payment date shall be made to the registered owners of the Bonds as they appear on the registration book of the District at the close of business on the Record Date.

Section 14. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Bonds eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the District agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations previously executed on behalf of the District and on file in the District Clerk's office.

Section 15. Official Statement. The School Board hereby approves the Preliminary Official Statement with respect to the Bonds and deems the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the District in connection with the preparation of such Preliminary Official Statement and any addenda to it or Official Statement are hereby ratified and approved. In connection with the Closing, the appropriate District official shall

certify the Preliminary Official Statement and any addenda or Official Statement. The District Clerk shall cause copies of the Preliminary Official Statement and any addenda or Official Statement to be distributed to the Purchaser.

Section 16. Undertaking to Provide Continuing Disclosure. The District hereby covenants and agrees, for the benefit of the owners of the Bonds, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Bonds or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the District to comply with the provisions of the Undertaking shall not be an event of default with respect to the Bonds).

To the extent required under the Rule, the District President and District Clerk, or other officer of the District charged with the responsibility for issuing the Bonds, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the District's Undertaking.

Section 17. Escrow Agent; Escrow Agreement; Escrow Account. Associated Trust Company, National Association, Green Bay, Wisconsin, is hereby appointed escrow agent for the District, for the purpose of ensuring the payment of the principal of and interest on the Refunded Obligations (the "Escrow Agent").

The District President and District Clerk are hereby authorized and directed to execute an escrow agreement substantially in the form attached hereto as Exhibit F (the "Escrow Agreement") (such form may be modified by said officers prior to execution, the execution of such agreement by said officers to constitute full approval of the School Board of any such modifications), with the Escrow Agent, for the purpose of effectuating the provisions of this Resolution.

The Bond Proceeds allocable to refunding the Refunded Obligations, other than any premium not used for the Refunding and accrued interest which shall be deposited in the Debt Service Fund Account created above, shall be deposited in a refunding escrow account which is hereby created with the Escrow Agent, pursuant to the Escrow Agreement, for the purpose of retaining the required amount of cash, if any, and acquiring the United States obligations provided for in the Escrow Agreement.

Upon transfer of the Bond Proceeds and any other necessary funds allocable to refunding the Refunded Obligations to the Escrow Account, the taxes heretofore levied to pay debt service on the Refunded Obligations shall be abated to the extent such transfer together with investment earnings thereon is sufficient to pay the principal of and interest on the Refunded Obligations, but such abatement shall not affect the District's pledge of its full faith, credit and resources to make such payments. The refunding escrow account created by the Escrow Agreement shall hereinafter serve as the debt service (or sinking) fund account for the Refunded Obligations. The Escrow Agent shall serve as custodian of said debt service (or sinking) funds.

Section 18. Securities. The Escrow Agent and Farr, Miller & Washington, LLC are authorized to purchase U.S. government securities on behalf of the District in such amount as is necessary in order to carry out the Refunding.

Section 19. Redemption of the Refunded Obligations. The Refunded Obligations due on and after April 1, 2017 are hereby called for prior payment and redemption on April 1, 2016 at a price of par plus accrued interest to the date of redemption.

The District hereby directs the Escrow Agent appointed above to cause timely notice of redemption, in substantially the form attached to the Escrow Agreement (the "Notice"), to be provided at the times, to the parties and in the manner set forth on the Notice.

Section 20. Record Book. The District Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Bonds in the Record Book.

Section 21. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Bonds, the officers of the District are authorized to take all actions necessary to obtain such municipal bond insurance. The District President and District Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the District President and District Clerk including provisions regarding restrictions on investment of Bond proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Bonds by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Bond provided herein.

Section 22. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the School Board or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law."

Mrs. Wiberg noted the financing amount from \$30,680,000 which was noted on the agenda to \$30,005,000 which is contained in the resolution distributed.

Mrs. Wiberg and Mr. Hamdan answered questions from Board members.

Mrs. Snyder moved to approve the resolution for the issuance and sale of bonds and to authorize board officers and district administration to execute all documents relating to the sale and issuance. Mr. Wade seconded the motion. Unanimously approved.

Dr. Savaglio-Jarvis introduced the Report of Contracts in Aggregate of \$25,000 submitted by Mr. Robert Hofer, Mr. Hamdan; Mrs. Housaman; Dr. Ormseth; and Dr. Savaglio-Jarvis, excerpts follow:

“School Board Policy 3420 requires that “all contracts and renewals of contracts in aggregate of \$25,000 in a fiscal year shall be approved by the School Board except in the event of an emergency as determined and reported to the School Board monthly by the Purchasing Agent.”

The contracts/agreements in aggregate of \$25,000 that have been added to the Contract Management Database subsequent to May 24, 2015, with approval of the purchasing agent are shown in the database in coral color. Board members may access this database while on district property.

The following contract/agreement has not been added to the Contract Management Database and is being presented for board approval:

- Achieve 3000 – Differentiated Literacy Solution and NWEA MAP Learning Path for \$37,845.”

Mrs. Snyder moved to approve the contract/agreement with Achieve 3000 as recommended. Ms. Stevens seconded the motion. Unanimously approved.

Mr. Hamdan presented the Authorization of 2015-2016 Expenditures Prior to Formal Adoption of the Budget submitted by Mr. Hamdan and Dr. Savaglio-Jarvis, excerpts follow:

“The budget adoption cycle for Wisconsin school districts is such that school boards do not adopt a final budget until October of each year, despite the fact that the fiscal year begins in July. The primary reason for this delay is that many of the factors needed to finalize the budget are not known until October. Equalized property values and official 3rd Friday student counts will not be known until the end of September. Certification of state aid from the Department of Public Instruction (DPI) will not occur until October.

It is customary for School Boards to approve a resolution authorizing district administration to expend funds between July 1 and the time that the budget is formally adopted.

The preliminary budget assumptions that form the basis of the 2015-2016 budget were presented to the board of education at their regularly scheduled meeting on May 26, 2015. The final board approved assumptions will be incorporated into the district’s preliminary 2015-2016 budget which will be presented at the public hearing of the budget on September 14, 2015. The final budget will be presented to the board in October, 2015 for formal adoption.

Administration requests that the board authorize the payment of all currently authorized salaries and benefits beginning July 1 and continuing until the budget is formally adopted. In addition, it is requested that the board authorize expenditures in other areas to continue at the discretion of administration up to the levels authorized in the prior year’s budget, not to exceed 34 percent of that budget, unless specific board action has occurred to either initiate or discontinue specific programs or activities.”

Ms. Stevens moved to authorize the payment of all currently authorized salaries and benefits beginning July 1 and continuing until the budget is formally adopted and expenditures in other areas to continue at the discretion of administration up to the levels authorized in the prior year's budget, not to exceed 34 percent of that budget, unless specific board action has occurred to either initiate or discontinue specific programs or activities. Mr. Falkofske seconded the motion. Unanimously approved.

Dr. Savaglio-Jarvis presented Policy and Rule 6440 – Course Options Enrollment submitted by Mrs. Marsha Nelson, Career and Technical Education Coordinator; Mrs. Housaman; Dr. Ormseth; Mr. Keckler; and Dr. Savaglio-Jarvis, excerpts follow:

“Course Options Enrollment is an enrollment option mandated by the State of Wisconsin. This initiative, established with WI Act 20 in late 2013, began at the start of the 2014-15 school year. Students in any grade K-12 have the opportunity to enroll in up to two courses at a time through an Institute of Higher Education (IHE) or other DPI approved program. The Course Options Program expands the integration of post-secondary and other DPI-approved educational opportunities. All Course Options courses must be made available to public school students at no cost to the student. The resident district is required to pay a DPI determined amount to the educational institution. For the 2014-15 school year, KUSD had a total of 7 students enroll in a total of 10 courses through the Course Options Program. The total cost for the 2014-15 school year was \$4,462.68. At this early stage, KUSD already has 9 requests for the fall 2015-16 term.

DPI has an expectation that local school boards adopt policies and/or procedures respective to the Course Options statute. This policy recommendation was first presented last summer and was not approved by the school board. It is presented again for consideration for multiple reasons. Aside from the state expectation, a local policy allows the resident district and non-resident applicants the ability to reference and follow protocol. To be able to manage this recent initiative in a way that reduces liability, decreases task management, and improves communication are all realized if a quality local policy exists. In many enrollment appeal cases, DPI will first ascertain and review local governance policies to ensure compliance and understanding of any existing federal, state, and local laws.

Due only to the state statute and the DPI expectation, Administration recommends that the school board approve the proposed Policy and Rule 6440 Course Options Enrollment as a first reading at the June 23, 2015, regular school board meeting, and approval as a second reading at the July 28, 2015, regular school board meeting.”

Mr. Keckler was present and answered questions from Board members.

Ms. Stevens moved to approve Policy and Rule 6440 Course Options Enrollment as a first reading. Mr. Kunich seconded the motion. Unanimously approved.

Dr. Savaglio-Jarvis presented the recommendation regarding Expulsion Hearing Officers submitted by Mr. Daniel Tenuta, Administrative Review Chair/Principal at Kenosha eSchool; and Dr. Savaglio-Jarvis, excerpts follow:

“Annually, Administration brings forth a recommendation concerning the appointment of Hearing Officers to assist the District with any expulsion hearings for the

upcoming year. Hearing Officers are paid \$100 per hearing and are scheduled on a rotating basis. Below is a listing of the two individuals that Administration would like to secure for the 2015 - 2016 school year:

Nancy Wheeler - Ms. Wheeler is a practicing attorney in Racine. She previously served as a Racine Judge, of which four years were in the juvenile division. Ms. Wheeler has served as a KUSD Hearing Officer for the past seven years.

Richard Regner - Mr. Regner is a retired school administrator who has experience as a teacher, building principal and as an administrator. Mr. Regner has served as a KUSD Hearing Officer also for the past seven years.

Administration recommends that the Board of Education authorize the appointment of Nancy Wheeler and Richard Regner as Hearing Officers for the purpose of expulsion hearings during the 2015-2016 school year. In addition, administration further recommends that their contracts be set at a rate of \$100.00 per hearing for the 2015- 2016 school year.”

Ms. Stevens moved to approve the appointment of Nancy Wheeler and Richard Regner as Hearing Officers for the purpose of expulsion hearings during the 2015-2016 school year with a rate of pay set at \$100.00 per hearing. Mr. Flood seconded the motion. Unanimously approved.

Mrs. Snyder presented the Donations to the District as contained in the agenda.

Mrs. Snyder moved to approve the Donations to the District as contained in the agenda. Mr. Wade seconded the motion. Unanimously approved.

Ms. Stevens moved to adjourn the meeting. Mr. Falkofske seconded the motion. Unanimously approved.

Meeting adjourned at 8:34 P.M.

Stacy Schroeder Busby
School Board Secretary