



REGULAR BOARD MEETING

City Council Chambers

14400 Dix Toledo, Southgate, MI 48195

**BOARD OF
EDUCATION**

PRESIDENT
REBECCA REED

DATE: June 9, 2015

VICE PRESIDENT
PAUL C. KNOTT

TIME: 7:00 P.M.

SECRETARY
DR. DARLENE L. POMPONIO

BOARD MEMBERS PRESENT: Hayhurst, Knott, Kremer, Owen, Reed

BOARD MEMBERS EXCUSED: Craig, Pomponio

TREASURER
W. KIRK HAYHURST

ADMINISTRATION PRESENT: Hainrihar, McLachlan, Pastor

TRUSTEES
JASON CRAIG
MARK KREMER
PATRICK OWEN

ADMINISTRATION EXCUSED:

The pledge of allegiance recited.
Ms. Reed-Hall read the District Mission and Vision Statements.

REVISIONS/APPROVAL OF AGENDA

2014/15-392 It was moved by Mr. Hayhurst, supported by Mr. Knott
the board approve the June 9, 2015 Regular Board Meeting
Agenda.

ADMINISTRATION

SUPERINTENDENT
LESLIE HAINRIHAR

YES: Hayhurst, Knott, Kremer, Owen, Reed
NO:

CITIZENS COMMENTS ON DISCUSSION OR ACTION ITEMS

None

STUDENT GOVERNMENT REPRESENTATIVES

None

PRESENTATIONS

Plante Moran-CRESSA Facilities Assessment-Jeff Atkins Senior Associate reviewed the facilities assessment that was conducted and copies of the plan were given to each board member. The corporate real estate division of Plante Moran has no affiliation with contractors or architects, they are independent. All employees of Plante Moran CRESSA do have expertise in engineering and architecture.

This report is divided up into three parts; critical needs, deferred maintenance and property enhancement. The report becomes the road map for the district. The district includes 9 buildings, 600,000 sq. ft., 150 acres total.

BUSINESS AND FINANCE
DIRECTOR
THERESA MCLACHLAN, C.P.A.

CURRICULUM/FEDERAL
PROGRAMS DIRECTOR
JILL PASTOR

HUMAN RESOURCES
DIRECTOR
MARY HILDEBRANDT

Each building received a visual inspection; principals and Nate Lay assisted with this process. Exteriors-parking lots, roofs, doors, mechanical, electrical-exterior security lighting and technology were looked at. Principals helped explain issues their buildings experience including drop off and pick up areas.

Mr. Atkins reviewed the narrative write-ups on each building. Photos, floor plans, cost summaries are also included in the report. The report breaks down the needs and the costs for each line item, including contingency costs.

Funding sources were discussed; a sinking fund is more of a maintenance type program, furniture and technology cannot be included in that kind of funding. A bond issue is another source of funding; Plante Moran CRESSA spoke with our financial advisor, PFM, and given our current financial status we could run a \$20 mil bond program with no increase to our millage rate.

Moving forward there will be continued discussion with the board. If a bond proposal is sought, months for elections are restricted to November, February, May and August.

Mr. Hayhurst asked about site work. Mr. Atkins stated if it is categorized as a critical need it is often the concrete that is cracked, or uneven pavement that can be a tripping hazard. It also includes reconfiguring pick up, drop off areas.

Mr. Knott asked about the asbestos in the buildings that were built between 1953 and 1970. Mr. Atkins stated they do build in asbestos abatement into the costs, should they encounter it the money is there to take care of it. Until construction begins and things are torn out, it is not visible.

Ms. Reed asked about Linc system. Mr. Atkins said this is not a plan to replace, but rather update. The integration of the system works well, there is a need for a panel upgrade and some uninvent valve work.

Mr. Owen questioned the line item for fixtures and furnishings. Mr. Atkins stated you have to identify furniture in the plan or you can't spend a penny on it in the future should it be needed.

Ms. Hainrihar commented that she was clear about furniture and that only essential items were to be replaced. The directives to Plante Moran were to take a very conservative approach on what they could include for furniture.

Mr. Hayhurst questioned the freezer needs. Mr. Atkins said these are at DMS, AHS and Allen. These items are considered permanently connected to a building; they can be taken care of with a sinking fund or a bond.

Ms. Reed asked if the items in this plan can be a "pick and choose" or if we have to do all of it. Mr. Atkins stated that while you can choose what needs to be done, some things have to be tie barred. For example if you were going to do exterior lights, the electrical would have to be upgraded.

Mr. Atkins said before this plan ever gets out to the voters it is reviewed by attorneys to be sure everything is within the proper guidelines of a bond or a sinking fund.

Mr. Owen commented that this is an assessment and is considered a guide for the district. Mr. Atkins stated this plan gives the district as much information as possible so the district can determine what direction they want to go.

Mr. Hayhurst asked if this plan could be placed on the website. Mr. Atkins stated that they could do that.

2015 tax rate request: Theresa McLachlan informed the board this tax rate request is due to the city so they can prepare their tax bills for 2015. She reviewed the information on our taxable value. The district will continue to assess 6.11 mills. The bond refunding that took place in February 2015 resulted in a reduction of approximately 1 mill of the debt levy. As stated in the Plante Moran CRESSA report we have approximately \$20 million in critical need projects district wide that have been recommended for either a sinking fund or a bond issue. We are looking more heavily at a bond issue which would be a \$20 million bond issue for approximately 24 years. This was all analyzed by our financial advisors at PFM group. If we keep the rate at 6.11 mills it would allow us to have the bond issue with no increase to the millage rate. If we keep it at 6.11 mills it maximizes the amount we can request to get us to the \$20 million, if the millage was reduced it would reduce the amount of the bond.

This means \$900,000 for our fund balance at the end of 2016. This provides sufficient funds for us to meet our debt services obligations. It will also provide an allowance if the tax abatements and write-offs increase over 2014 or if the estimated percentage of the amount of the annual reimbursement of delinquencies by Wayne County decreases. It provides available funds if any of these factors change.

Ms. McLachlan recommends the operating millage at 18 mills and the homestead millage at 6.11 for 2015.

Mr. Knott asked for clarification on the \$900,000. Ms. McLachlan said this would be in the black on the fund balance and would prepare us to keep the mills at 6.11 and not increase the millage rate.

DISCUSSION

Finance Report- Theresa McLachlan updated the board on the 2015/16 budget; House Bill 4115 has passed the House and Senate. It is now in the governors hands for approval. Highlights are; the foundation allowance will use a 2x funding formula with increases ranging from \$70 or \$140 per pupil. Currently our foundation allowance is \$7174 we also have \$77 per pupil in equity payment. Rolling that into the foundation allowance first would put us at \$7251, we would receive the additional \$140 per pupil; this would mean \$7391 for 2015/16. By eliminating the Best Practice Incentives and the Performance Funding Grants, that will reduce Southgate's increase by \$50; that would actually bring our increase to \$90 not \$140.

At risk funding is to increase by \$70 million dollars, which would mean each district would receive a minimum of \$25 per pupil. There are no changes in the Mipsers.

Curriculum Report-Jill Pastor reported that M-Step ended on June 5th. The School of Choice Application period ended June 5th. 48 applications were received, 47 were accepted; 29 in K through 5, 7 in the Middle School and 11 High School students. In March we accepted 29 kindergarten students for a grand total of 76 students.

On May 27th Meemic awarded three teachers, one from Grogan, DMS and Beacon, \$300 to Make-Over their classroom. At DMS, Tracy Kroll is doing French-themed decorations in her classroom. At Grogan, Michelle Schroeder is doing different seating for her Special Education classroom. At Beacon Jill Ross partnered with Lowes to take her \$300 and turn it in to almost \$900 by getting special pricing on the items she needed to create an art garden outside of her classroom. Ms. Pastor said it is beautiful. Ms. Ross wanted everyone to know what a great community partner Lowes is.

Ms. Reed asked about the special seating balls that were purchased for one of the classrooms through a Go-Fund-Me account. Ms. Pastor said she would check with Mrs. Pelligrini to see how that project is going.

Superintendent's Report-Ms. Hainrihar has completed her first year with the district and has begun year two. She reviewed district highlights over the last 12 months. Professional Growth Plans, formally known as evaluations we have brought the district into compliance with current law. Common time lines, procedures and forms have been developed. Observation protocols have been improved and we are moving to a coaching model for instructional improvement. Many people in the district worked on these components. Staff have never worked harder. School safety laws have been addressed and the district has revised and updated our own district policies and procedures. Rapid Response Teams have been identified in all buildings and training will be completed for those teams in the fall.

The District Crisis Response Team has completed approximately 60% of the work towards an updated district plan and we should be able to complete the work no later than December of this year. Special thanks to our district nurse, Amy Saeida, co-chairs Patrick Owen, Karen Dunholter and many district employees, for volunteering their time and expertise.

Our professional development plan is now a district model based on our instructional goals of increasing student engagement and higher order thinking skills. The administrative staff has lead professional development and modeled best practices. We have seen gains in student engagement as a result of this focused and intentional work. Jill Pastor and district administration are to be commended for their leadership in the area of professional development.

Our declining student enrollment while not yet stable has slowed. Data suggests our current trends reflect the general population trends of the county and the Southgate area. District administration and bargaining units have displayed a commitment to analyzing these trends and making necessary adjustments in staffing.

All employee groups agreed to deep concessions for the 2014/15 and 2015/16 school years in order to eliminate our past deficit. Ms. Hainrihar is extremely happy to report we are on target to reduce our deficit by \$3.6 million by the end of this school year. Every employee in the district has been affected by these concessions and she thanked them for their assistance in helping the district to a position of improved financial health.

We are offering several new instructional programs at no new costs. Tonight we have heard about a way to make very basic but critical improvements to our school buildings and grounds at no increase to our current millage rate.

She is happy to report that the state of the Southgate Community School District is much improved over one year ago.

Mr. Owen thanked Ms. Hainrihar for the acknowledgment and expressed his appreciation to the district employees and said it has been a pleasure working with them and continued work in a collaborative environment will be good for the students in this district.

CONSENT

2014/15-393 It was moved by Mr. Hayhurst supported by Mr. Knott the board approve the May 12 and May 19, 2015 regular board meeting minutes.

YES: Hayhurst, Knott, Kremer, Owen, Reed
NO:

2014/15-394 It was moved by Mr. Hayhurst supported by Mr. Knott the board approve the HR updates as presented.

YES: Hayhurst, Knott, Kremer, Owen, Reed
NO:

2014-15-395 It was moved by Mr. Hayhurst supported by Mr. Knott the board approve the Disbursements for May 2015.

YES: Hayhurst, Knott, Kremer, Owen, Reed
NO:

ACTION

2014/15-396 It was moved by Mr. Hayhurst supported by Mr. Knott the board approve the Asher proposal to change graduation requirements from 23 to 21 credits.

YES: Hayhurst, Knott, Kremer, Owen, Reed
NO:

Ms. Reed commented this information was reviewed in the work session by all the board members. Mr. Hayhurst commented that this was a removal of elective credits, not credits required by the state for graduation.

2014/15-397 It was moved by Mr. Hayhurst supported by Mr. Knott the board approve the 2015 Tax Rate Request Form L-4029, with authority given to the Superintendent to make revisions if necessary based on the budget hearing to be held prior to July 1, 2015.

YES: Hayhurst, Knott, Kremer, Owen, Reed
NO:

EMPLOYEE REPRESENTATIVES

None

CITIZENS COMMENTS

None

INFORMATION AND ANNOUNCEMENTS

Mr. Hayhurst thanked the Southgate Community Players for donating 10 to 15 expensive and specialized stage lights to AHS auditorium.

Mr. Hayhurst had a political commentary he shared with the board; MASB Newsletter-May 15, 2015
Recently, Senate Bill 319 was introduced to repeal the law requiring an adequacy study on education funding. The law, Public Act 555 of 2014, was agreed to as part of the road funding debate last December. However, that particular issue was not tied to the passage of the road proposal. MASB strongly opposes repealing this law as conducting a study on the true cost of educating a student as one of our legislative priorities. We urge you to contact your Senator to oppose this bill as well. MASB released the following statement on Thursday:

The Michigan Association of School Boards issued the following statement in regard to Sen. Mike Shirkey's (R-Clarklake) bill (Senate Bill 319) to repeal the bipartisan solution to conduct an adequacy study for school funding:

"Senator Shirkey shouldn't be turning away from valuable data that could ensure Michigan provides a quality education to every student, every time," said Don Wotruba, Deputy Director of MASB. "We have reached a time in education where there are many choices on how to receive it. Each variation comes with different expenditure, yet we provide revenue at a fixed amount. We must examine the costs of delivering education and adjust our school funding system accordingly. As well, we must examine the distribution system."

"To propose a bill that would eliminate this study that was agreed upon by a bipartisan majority in both chambers just a few months ago, would be irresponsible. Gov. Snyder consistently speaks to the need for more and better data to help make informed decisions on behalf of the people of Michigan. We whole-heartedly agree and implore Senate leadership to stand by the commitment made in Public Act 555 of 2014."

Ms. Reed reminded parents that the ACT follow up test is Saturday June 13, 2015. She congratulated all district graduates. The senior class of 2015/16 will be hosting a car wash fundraiser. Information will be posted on the parent page. Ms. Reed acknowledged and recognized that the board feels and shares a great loss with the family that had a very difficult weekend.

WORK SESSION

Ms. Reed announced that the board would be moving into a work session and not returning to the viewing audience at 8:15 p.m.

ADJOURNMENT

2014/15-398 It was moved by Mr. Hayhurst supported by Mr. Knott the board adjourn the meeting at 9:30 p.m.

Dr. Darlene Pomponio-Secretary
Board of Education

