

BOARD SUMMARY
June 25, 2013 Regular Board of Education Meeting

Board of Education 2013
President – Sue Murray; Vice President – Paul C. Knott;
Secretary – Dr. Darlene L. Pomponio; Treasurer – W. Kirk Hayhurst
Trustees - Patricia Graziani, Amanda Kremer, Rebecca Reed-Hall

PRESENTATIONS

PUBLIC HEARING – 2013-2014 PROPOSED BUDGET - Ms. McLachlan gave a brief report on the Amended 2012-2013 Budgets. There is an increase in our revenue in state aid due to the decrease in our property tax revenue. There were various changes in revenues and expenditures that Ms. McLachlan explained. The Amended Budget she is recommending to be approved includes a deficit at June 30, 2013 of \$5,448,259. This will be forwarded to the State as well as the updated Deficit Elimination Plan.

The recommended 2013-14 budgets for the General Operating, Food Service and Special Service Funds were presented. Ms. McLachlan reviewed the major changes in expenses with the closing of three buildings, staff layoffs, and related reductions. We anticipate a decrease in state aid due to the decline in enrollment. Title I is projecting a \$100,000 decrease however this may be adjusted later in the year. The rental of North Pointe and Gerisch will be new revenue. We are reviewing proposals to sell our bus fleet and outsource our transportation services. Changes in our health care expenses will result in additional savings. The results in revenues and expenditures will decrease our deficit by \$2,198,602 leaving the June 30, 2014 at (\$2,769,800). We continually review other options for possible savings

Board members asked about several items, i.e., if the budget is approved and we do not outsource transportation, would that be an issue and Ms. McLachlan said we would have to amend the budget and also the Deficit Elimination Plan. The Finance Committee met and reviewed this recommended budget in detail and knows there are still changes that must be made. This has been a painful decision by board members. Ms. McLachlan will provide a report on the savings realized with the closing of each building at a later date.

SUPERINTENDENT’S REPORT - Mr. Grusecki said this has been a tough year with the closing of buildings, moving staff and students and classes. A few staff on layoff have secured positions in other districts. This will reduce our unemployment costs and he is confident the figures reported in the budgets are extremely accurate. We will continually review our budget this summer and within the next two years be out of deficit. We cannot count on the state or student enrollment. We do not want to cut course offerings as we continually work on student achievement.

We have one year left on the lease for the Beacon program in River Rouge that is funded with Act 18 funds. We are looking to move this program to Gerisch next summer and the district will receive the rent for this program. If our enrollment dips and the state does not help, we will have severe problems. There have been dissolutions of school district and we hope our Amended Deficit Elimination Plan is approved by the State.

Staff are moving items from North Pointe and the Guidance Center will operate their Head Start Program at that building. A church group will lease space at Gerisch. These buildings will generate revenue for the district.

Gerisch will also house the Curriculum Office and have a Professional Development Center at that building. Special Services Office will also be located there. Chormann will be vacated and water and gas will be shut off and will require a minimum use of electricity.

ACTION ITEMS APPROVED:

Amended 2012-2013 General Operating, Food Service and Special Education Budgets
2013-2014 General Operating, Food Service and Special Education Budgets
Southgate Adult and Community Education 2013-2013 Curriculum
Reschedule July Board Meeting to July 16th, 2013
Lease Agreement with the Guidance Center for North Pointe Elementary School for a five-year period
Lease Agreement with the Downriver United Methodist Church for Space in Gerisch Middle School for the term 7/1/13 to 7/30/14
Resolution Authorizing Issuance of Notes in Anticipation of State School Aid
Educational Leave of Absence for a Beacon Program Assistant
Approval of listing the Reeck Road and Venness Road District Properties with Century 21
Approve the Engagement Letter for Hungerford & Company to conduct the District’s Audit for the period ending June 30, 2013
Hiring of Christine Wlodkowski, Business Office Employee

Dr. Darlene Pomponio, Secretary
Board of Education