

Hartland Consolidated Schools
Special meeting - Board of Education
June 26, 2014

Members present: M. Hutchinson, B. Gatewood, T. Dumond, C. Kenrick, C. Aberasturi, K. Kaszyca
(arrived at 6:40 p.m.)
Members absent: C. Sinelli
Admin. Present: J. Sifferman, S. Bacon, S. VanEpps, C. Hughes, B. Cain, L. Pumford, J. Reck, S.
Livingway, M. Day, M. Cheney, M. Otis, K. Gregory
Guests: P. Butzier, K. Butzier, B. Maurin, K. Gutteridge, R. Bulszewicz, L. Clay, K.
Evans, S. Russano, N. Spranger

President Dumond called the meeting to order at 6:30 p.m. in the Boardroom of the Hartland Educational Support Service Center. The Pledge of Allegiance was recited.

Ms. Sifferman asked Mr. Dumond if the agenda could be amended so Item II.A., New Hires, could occur prior to the Budget Hearing. AMEND AGENDA

Motion by Aberasturi, supported by Kenrick that the agenda for the June 26, 2014 special meeting be approved as amended and that public participation be allowed on all items. Motion carried 5-0. 6/26/14 AGENDA APPROVED

Motion by Kenrick, supported by Gatewood that the minutes of the June 9, 2014 regular meeting be approved. Motion carried 5-0. 6/9 MINUTES APPROVED

There was no response to Call to the Public. CALL TO PUBLIC

Motion by Kenrick, supported by Aberasturi that the Board of Education, upon the recommendation of the Superintendent, offers a probationary teaching contract to Rachel Bulszewicz for the 2014/15 school year, at the Step 1, BA salary tract, pending verification of credentials and public Acts 99, 83 & 189 requirements, if applicable. Motion carried 5-0. Ms. Bulszewicz was introduced by Assistant Principal Kate Gregory. NEW HIRES: BULSZEWICZ-HHS

Motion by Hutchinson, supported by Kenrick that the Board of Education, upon the recommendation of the Superintendent, offers a probationary teaching contract to Lori Clay for the 2014/15 school year, at the Step 1, MA salary tract, pending verification of credentials and public Acts 99, 83 & 189 requirements, if applicable. Motion carried 5-0. Ms. Clay was introduced by Principal Pumford. CLAY – CSE

Motion by Kenrick, supported by Aberasturi that the Board of Education, upon the recommendation of the Superintendent, offers a probationary teaching contract to Beth Maurin for the 2014/15 school year, at the Step 1, MA salary tract, pending verification of credentials and public Acts 99, 83 & 189 requirements, if applicable. (Mr. Kaszyca arrived here, 6:40 p.m.) Motion carried 6-0. Ms. Maurin was introduced by Principal Smither. MAURIN – LES

Motion by Aberasturi, supported by Gatewood that the Board of Education, upon the recommendation of the Superintendent, offers a probationary teaching contract to Paul Butzier for the 2014/15 school year, at the Step 1, BA salary tract, pending verification of credentials and public Acts 99, 83 & 189 requirements, if applicable. Motion carried 6-0. Mr. Butzier was introduced by Assistant Principal Gregory. BUTZIER – HHS

Motion by Hutchinson, supported by Kenrick that the Board of Education, upon the recommendation of the Superintendent, offers a probationary teaching contract to Kara Gutteridge for the 2014/15 school year, at the Step 1, BA salary tract, pending verification of credentials and public Acts 99, 83 & 189 requirements, if applicable. Motion carried 6-0. Ms. Gutteridge was introduced by Principal Cheney.

NEW HIRES:
GUTTERIDGE – FIS

Ms. Sifferman introduced Scott Bacon, Assistant Superintendent for Business & Operations, who initiated the 2014/2015 Budget Hearing. Mr. Bacon noted several key issues from 2013/14:

2014/15 BUDGET
HEARING

- Ended 2012/13 in better position than expected. Thus began 2013/14 with higher Fund Balance including some built-in expenditure “savings” carried forward into 2013/14 expenditure budget which helped the 2013/14 final budget picture
- Gained 59 students. Also won appeal on 17 of 20 FTE students from 2012/13 for approximately + \$110,000
- Extreme winter cost approximately \$150,000 for additional overtime, salt, contracted plowing, utilities, equipment repair
- Fund Balance projected to end at 7.36% of expenditures at \$3,655,513
- Basically the year generally went as expected except for the large net gain in enrollment (= \$) and starting the year with \$498,248 more in Fund Balance. Will still spend an estimated \$1,518,262 more than we took in. Basic structural deficit continues.

For the 2014/15 budget, Mr. Bacon noted the following:

- Net \$204 per pupil increase = 2.83%; 1.69% salary adjustment planned for employees
- Foundation allowance plus incentives and a retirement subsidy now finally equal what we received per student in 2010/11
- Continue declining enrollment; pushing harder on “Schools of Choice” advertising
- Squeezed all “placeholders” out of budget; “it is what it is”. Don’t expect to be much under budget; hope we are
- Will begin to feel pressure on maintenance budget as bond funds for other than technology are essentially gone. Roof replacements, HVAC replacements, parking lot work, etc. will begin to come from the General Fund
- Expenditures to exceed revenues and leave us with 5.25% Fund Balance (5.25% of expenditures)

Also an issue of contention and frustration is new legislation requiring school districts to increase their debt retirement millage rates in order to pay off state loans more rapidly. Mr. Bacon noted he believes the districts had a “contract” with the state to borrow with the established millage rate of 7.6 mills and they are essentially backing out of that contract. Mr. Gatewood noted that it is particularly frustrating as, even though it is law, the state is still requiring Boards to vote on the increase; essentially shifting responsibilities to individual school boards instead of Lansing and raising taxes without having to put it to a vote. Mr. Bacon noted that the district will hold public hearings on this in the fall and Mr. Gatewood hoped this would garner some press and bring this to the public’s attention.

Mr. Bacon spent some time discussing the structural inequities that have been built into public education financing between revenues and expenditures. He noted that even a district like Hartland that has essentially done everything it was supposed to do and was required to do, is still in a very tenuous position financially with really nowhere left to go, with a very bleak outlook for 2015/16 and beyond. The administration has been meeting with the Finance Committee twice monthly for over a year, dissecting every department and budget line looking for areas for savings or increased revenue and there is no “pot of gold”.

Mr. Gatewood, Mr. Aberasturi and Mr. Kaszyca spoke as members of the Finance Committee and thanked Mr. Bacon, the administration, and the staff for their hard work and collaborative efforts. All noted that this has been an informative process and the district is doing all that it can to make the most of its resources.

2014/15 BUDGET
HEARING (CON'T)

Mr. Dumond thanked Mr. Bacon and the Finance Committee for all of their hard work. Ms. Sifferman noted that Lansing is always pushing to consolidate administrators at the county level and this is why that won't work. Mr. Bacon is not just a "finance guy" sitting in his office crunching numbers every day, but a school administrator involved in every aspect of running the district. She thanked Mr. Bacon and his staff, the Finance Committee and Board of Education for all of the time they have spent. She noted the entire administrative staff appreciates the Board's efforts.

Motion by Kaszyca, supported by Aberasturi that the Board of Education, upon the recommendation of the Assistant Superintendent for Business & Operations, approves budget amendments for the General Fund, Capital Projects Fund, Debt Retirement Fund, Athletic Fund and Food Service Fund as presented. Motion carried 6-0.

2013/14 BUDGET
AMENDMENTS

Motion by Aberasturi, supported by Gatewood that the Board of Education, upon the recommendation of the Assistant Superintendent for Business & Operations, approves the General Appropriations Act Resolution (2014/2015) as presented. Motion carried 6-0.

2014/15 GEN. APP.
RESOLUTION

The Board then began discussion of the 2014/15 Parent/Student Handbooks. Mr. VanEpps outlined the areas of change, noting that minimal changes occurred in the Elementary and Intermediate Handbooks. He cited the various changes in the Secondary Handbook. This will come before the Board for action at the July 21 meeting.

DISCUSSION:
HANDBOOKS

President Dumond noted that the next meeting would be one of two organizational meetings now required on July 21 at 7:30 a.m.

FUTURE MEETINGS

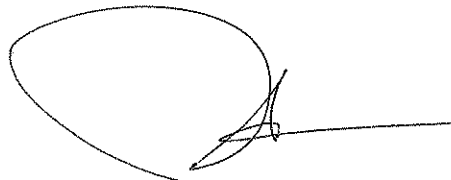
The meeting adjourned at 7:55 p.m.

ADJOURNMENT

Respectfully submitted,



Michelle Hutchinson
Secretary



Paula Waters
Recording Secretary

GENERAL APPROPRIATIONS ACT RESOLUTION

Hartland Consolidated Schools Livingston County, Michigan

A special meeting of the Board of Education of the Hartland Consolidated Schools was held in the board room of the Hartland Educational Support Service Center on the 26th day of June 2014 at 6:30 p.m.

The meeting was called to order at 6:30 p.m., by

Present: Dumond, Kaszyca, Aberasturi, Hutchinson, Kenrick, Gatewood

Absent: Sinelli

The following preamble and resolution were offered by Member Aberasturi and supported by Member Gatewood

WHEREAS,

1. This Board previously resolved to conduct a hearing regarding the proposed budget for the fiscal year 2014-2015 on June 26, 2014; and
2. This Board caused notice of such hearing to be published, which notice included the statement that the "property tax millage rate proposed to be levied to support the proposed budget will be a subject of this hearing;" and
3. Such a hearing was conducted on June 26, 2014 at which time this Board heard public comment and considered the proposed 2014-2015 budget and proposed property tax millage rate to be levied to support the proposed budget.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. This Board hereby adopts as its 2014-2015 budget the proposed budget document, incorporated by reference, which includes the property tax millage rate to be levied to support the 2014-2015 budget.
2. This Board certifies that, for 2014, 18 mills shall be levied for operating purposes upon non-homestead and non-qualified agricultural property, and 0 mills for operating purposes shall be levied upon homestead and qualified agricultural property. Further, this Board certifies that, for 2014, 8.29 mills shall be levied upon all property for debt retirement purposes, as required by PA 437 of 2012.

continued

BE IT FURTHER RESOLVED, that this resolution shall be the general appropriations act of the Hartland Consolidated School District for the fiscal year ending June 30, 2015; A RESOLUTION to make appropriations; to provide for the expenditure of appropriations; and to provide for the disposition of all income received by the Hartland Consolidated School District.

BE IT FURTHER RESOLVED that the total revenues and unappropriated fund balance estimated to be available for appropriations in the general fund of the Hartland Consolidated School District for the fiscal year ending June 30, 2015, is as follows:

REVENUE

Local		\$ 7,873,940
County		-0-
State		39,360,528
Federal		632,205
Incoming Transfers & Other Transactions		<u>1,595,088</u>
TOTAL REVENUE		\$ 49,461,761
Est. Fund Balance, July 1, 2014	\$3,655,513	
Less Appropriated Fund Balance	<u>-0-</u>	
Fund Balance Available to appropriate	<u>\$3,655,513</u>	
AVAILABLE TO APPROPRIATE TO GENERAL FUND		\$ 53,117,274

BE IT FURTHER RESOLVED, that \$50,467,967 of the total available to appropriate in the general fund is hereby appropriated in the amounts and for the purposes set forth below:

EXPENDITURES

Instruction:		
Basic Programs		\$25,027,273
Added Needs		5,096,069
Support Services:		
Pupil		\$ 860,063
Instructional Staff		2,177,902
General Administration		1,236,951
School Administration		3,148,080
Business		828,699
Maintenance/Operations		4,990,874
Transportation		2,182,655
Central		388,143
Other		128,321

continued

Community Services	2,782,698
Capital Outlay	749,679
Outgoing Transfers & Other Transactions	<u>870,560</u>
TOTAL APPROPRIATED GENERAL FUND	\$ 50,467,967

BE IT FURTHER RESOLVED that the total revenues and unappropriated fund balance estimated to be available for appropriations in the athletic fund of the Hartland Consolidated School District for the fiscal year ending June 30, 2015, is as follows:

REVENUE

Local (gate)	\$	132,500
Other		114,500
Federal		-0-
Incoming Transfers & Other Transactions		<u>672,596</u>
TOTAL REVENUE	\$	919,596
Est. Fund Balance, July 1, 2014	\$	50,002
Less Appropriated Fund Balance		<u>-0-</u>
Fund Balance Available to Appropriate		<u>50,002</u>
TOTAL AVAILABLE TO APPROPRIATE ATHLETIC FUND	\$	969,598

BE IT FURTHER RESOLVED, that \$947,862 of the total available to appropriate in the athletic fund is hereby appropriated in the amounts and for the purposes set forth below:

EXPENDITURES

Other Support Services:		
Salaries	\$	247,918
Employee Benefits		107,423
Contracted Services		494,466
Equipment		30,500
Officials' Fees		35,555
Transportation		<u>32,000</u>
TOTAL APPROPRIATED ATHLETIC FUND	\$	947,862

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the cafeteria fund of the Hartland Consolidated School District for the fiscal year ending June 30, 2015, is as follows:

continued

REVENUE

Local		\$	750,232
State			50,000
Federal			495,727
Incoming Transfers & Other Transactions			<u>-0-</u>
TOTAL REVENUE		\$	1,295,959
Est. Fund Balance, July 1, 2014	\$	74,004	
Less Appropriated Fund Balance		<u>-0-</u>	
Fund Balance Available to Appropriate		\$	<u>74,004</u>
TOTAL AVAILABLE TO APPROPRIATE CAFETERIA FUND		\$	1,369,963

BE IT FURTHER RESOLVED, that \$1,365,599 of the total available to appropriate to the cafeteria fund is hereby appropriated in the amounts and for the purposes set forth below:

EXPENDITURES

Other Support Services:			
Salaries		\$	422,457
Food			592,035
Supplies & Other			103,035
Employee Benefits			185,881
Outgoing Transfers			<u>62,191</u>
TOTAL APPROPRIATED TO CAFETERIA FUND		\$	1,365,599

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the debt retirement fund of the Hartland Consolidated School District for the fiscal year ending June 30, 2015, is as follows:

REVENUE

Local Source:			
Property Tax		\$	9,066,666
Other Local Source			4,200
State Sources			-0-
Federal Sources			1,008,314
Incoming Transfers & Other			<u>1,940,340</u>
TOTAL REVENUE		\$	12,019,520

continued

Est. Fund Balance, July 1, 2014	\$ 673,395
Less Appropriated Fund Balance	<u>-0-</u>
Fund Balance Available to Appropriate	\$ <u>673,395</u>
TOTAL AVAILABLE TO APPROP. DEBT RETIREMENT FUND	\$12,692,915

BE IT FURTHER RESOLVED, that \$12,259,501 of the total available to appropriate in the debt retirement fund is hereby appropriated in the amounts and for the purposes set forth below:

EXPENDITURES

Redemption of Principal	\$ 7,071,923
Redemption of Energy Note	-0-
Interest on Debt	5,170,128
Interest on Energy Note	-0-
Miscellaneous	<u>17,450</u>
TOTAL APPROPRIATED DEBT RETIREMENT FUND	\$12,259,501

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the capital projects fund of the Hartland Consolidated School District for the fiscal year ending June 30, 2015, is as follows:

REVENUE

Sale of Bonds	\$ -0-
Misc. Receipts	-0-
Interest on Investments	2,500
Incoming Transfers & Other Transactions	<u>-0-</u>
TOTAL REVENUE	\$ 2,500
Est. Fund Balance, July 1, 2014	\$ 2,486,597
Less Appropriated Fund Balance	<u>-0-</u>
Fund Balance Available to Appropriate	\$ 2,486,597
TOTAL AVAILABLE TO APPROPRIATE CAPITAL PROJECTS FUND	\$ 2,489,097

continued

BE IT FURTHER RESOLVED, that \$1,449,613 of the total available to appropriate to the capital projects fund is hereby appropriated in the amounts and for the purposes set forth below:

EXPENDITURES

Remodeling/Renovation/Construction	\$ 624,806
Equipment	809,807
Site Development	-0-
Misc. (architect, construction manager, other)	15,000
Arbitrage	-0-
Outgoing Transfers	<u>-0-</u>
 TOTAL APPROPRIATED TO CAPITAL PROJECTS	 \$ 1,449,613

BE IT FURTHER RESOLVED, that no Board of Education member or employee of the school district shall expend any funds or obligate the expenditure of any funds except pursuant to appropriations made by the Board of Education and in keeping with the budgetary policy statement hitherto adopted by the Board. Changes in the amount appropriated by the Board shall require approval by the Board.

BE IT FURTHER RESOLVED, that the Superintendent is hereby charged with general supervision of the execution of the budget adopted by the Board and shall hold the department heads responsible for performance of their responsibilities within the amounts appropriated by the Board of Education and in keeping with the budgetary policy statement hitherto adopted by the Board.

This act is to take effect July 1, 2014.