



REGULAR BOARD MEETING

City Council Chambers

14400 Dix Toledo, Southgate, MI 48195

**BOARD OF
EDUCATION**

PRESIDENT

JASON CRAIG

DATE: June 19, 2018 7:00 p.m.

VICE PRESIDENT

TIMOTHY O. ESTHEIMER

BOARD MEMBERS PRESENT: Craig, Estheimer, Freitas, Green, Kupser, Pomponio

BOARD MEMBERS EXCUSED:

BOARD MEMBERS UNEXCUSED: Mossop

SECRETARY

DR. DARLENE L. POMPONIO

ADMINISTRATION PRESENT: Pastor, Baker-Herring, McLachlan, Morin

ADMINISTRATION EXCUSED:

TREASURER

JASON R. KUPSER

The Pledge of Allegiance was recited.

Mr. Craig read the District Mission and Vision Statements.

TRUSTEES

NEIL J. FREITAS
ANDREW A. GREEN
REBECCA MOSSOP

REVISIONS/APPROVAL OF AGENDA:

Mr. Estheimer added work item #2 Retreat Agenda discussion, under section P.

2017/18-165 It was moved by Dr. Pomponio supported by Mr. Green, the board approve the June 19, 2018 board agenda with revision.

YES: Craig, Estheimer, Freitas, Green, Kupser, Pomponio

NO:

ADMINISTRATION

CITIZENS COMMENTS ON DISCUSSION OR ACTION ITEMS

None

SUPERINTENDENT

JILL M. PASTOR

PRESENTATIONS

1. Presentation of Retirees: Mr. Morin, Director of Human Resources, honored district retirees. In attendance was Karen Anderson, Administrative Assistant to the Curriculum Director. Karen has worked in the district for 25 years as a science paraprofessional, special education paraprofessional and an administrative assistant. She also worked as a substitute lunch monitor and a substitute administrative assistant. Ms. Pastor presented Ms. Anderson with a certificate of appreciation for her years of dedication.

Mr. Morin read the names of all other retirees that could not be in attendance and a few kind words from their administrators. Those retirees are: Lisa Belchunas, Teresa Brennan, Leslie Chretien, Billi Cummings, Karen Dahlstrom, Michael Gardner, Kenneth Guzman, Melanie Holland, Sarah Hurley, Linda Makowski, Debbie Pappas, Jill Ross, Maureen Ruddon, Theresa Sutherland, Mike Toschi, Chris Woodruff, Dr. Woods, Vanessa Holland, Karen Kowalik and Betty Henderson.

2. 2018 Tax Rate Request Form: Ms. McLachlan gave the board a presentation for the 2018 Tax Request Form L4029, which requires board approval. The cities of Allen Park and Southgate are waiting for this form so they can finish up their tax bills.

BUSINESS AND FINANCE

DIRECTOR

THERESA MCLACHLAN, C.P.A.

CURRICULUM/FEDERAL

PROGRAMS DIRECTOR

DR. MICHELLE BAKER-HERRING

DIRECTOR OF

HUMAN RESOURCES

GERARD L. MORIN

There is an approximate increase of \$22.9 million in our taxable value which brings us up to \$718,232,604.00. The estimated IFT (Industrial Facilities Taxable value) is \$1,813,573.00. Prior year delinquent taxes and abatements that reduce taxable values are estimated to be stable. Our operating millage remains the same at 18 mills. There is no Headlee rollback and the recommended debt millage of 5.85 mills reflects no change from 2017 debt millage.

Helping to keep that mil rate stable was our bond refunding in 2015 resulted in a savings of approximately 1 mil and our November 2015 voter approved bond of \$20 million with no increase in the debt millage rate during the life of the bond. To date, the debt millage rate has been reduced from 6.11 mills to 5.85 mills. This information was analyzed by our financial advisors PFM Group and they confirmed the recommendation to stay, for one year, at 5.85 mills.

Staying with 5.85 mills for 2018 will result in a cumulative fund balance of approximately \$1,506,000.00 at June 30, 2019. This give us sufficient funds to meet debt obligations, provides an allowance if tax abatements and write-offs increase over 2017. It also provides an allowance if the reimbursement of delinquent taxes from Wayne County decreases, provides available funds if any of the estimated factors change, provides for appropriate equity before any additional bonding considerations. A future increase in fund balance will result in a reduction to the debt millage rate. Ms. McLachlan included the report from PFM Group which shows the decrease in the millage rate over the next 20 years when the bonds are paid off.

Questions were asked about the fund balance-it is projected to be about \$1.4 million at the end of June of 2018.

3. 2017-2018 Amended Budgets: Ms. McLachlan presented the board with a power point of the final amended budget for 2017-2018 for the General Operating Fund, Special Education Center Program Fund, Food Service Fund & Community Services Fund. The ending fund balance at June 30, 2018 per December 19, 2017 was projected to be \$1,500,622.00. The ending fund balance for this final amended budget is \$1,386,045.00. This is a net decrease of \$114,617.00. Total revenue, \$41,138,552.00. Total expenditures \$41,888,641.00.

Ms. McLachlan reviewed in detail, the summary of changes with revenue and expenditures for the General Fund, Special Education Center Program Fund, Food Service Fund and Community Services Fund; showing the increases and decreases and where those changes occurred.

The enhancement millage money is based on our FTE's. Wayne RESA gives us a schedule which provides us an accurate picture of where we are at. Based on that, an additional reduction in our anticipated enhancement millage collections was made in the amount of \$140,000.00.

Discussion took place regarding class size reduction and retention of staff. Questions were asked about the enhancement millage; use of millage funds for the fund balance, the curriculum budget, funds allocated and spent on an athletic trainer/athletic expenditures and how millage funds will be spent in the future.

STUDENT GOVERNMENT REPRESENTATIVES

None

COMMITTEE REPORTS

Policy-Dr. Pomponio- Meeting May 25 with Lusk Albertson.

Finance-Mr. Kupser- Last meeting was May 23. FTE losses, millage budget transparency on the website and costs for district subs were discussed. A one-year plan and how it is addressed financially with the budget was also a topic of discussion. Next meeting is June 21 at 5:30 p.m.

Anti-Bullying-Ms. Mossop was absent, no report.

All committees hold open meetings at Southgate's board offices or other location that will be posted. Dates of meetings, committee members, agendas and minutes are posted on the web page.

DISCUSSION

Finance-Ms. McLachlan reported the school aid bill is in front of the governor, but she has not heard if it has been signed yet. It does confirm the additional \$245 in our foundation allowance.

Curriculum-Dr. Baker-Herring updated the board on the Early Middle College Application. The MDE notified the district by letter, recommending we postpone implementation for one year to address several listed concerns such as start smaller to begin with, just an Associates of General Studies program first, not all of the options, to ensure the program is implemented with fidelity. We can grow the options for students in future years. Clarify the options for the 5th year math course. Update the board of education minutes to include the language for the required 5th year math credit. Provide more description for the wrap-around services. Do more research around the philosophy of an Early Middle College.

The district scheduled a coaching meeting with Dr. Beverly Brown and Dr. Cherry Wagonlander from the MDE, the high school EMC and WCCCD EMS Team, Ms. Pastor and Dr. Baker-Herring on June 8. After this meeting the MDE agreed to accept an updated application with their concerns addressed and they would entertain the option of implementing the Early Middle College program at second semester next year. Dr. Baker-Herring will submit these updated materials this week.

Superintendent-Ms. Pastor congratulated the Class of 2018 from Asher, Beacon and Southgate Anderson High School. She also congratulated all of the Southgate retirees wishing them the best of luck with their future endeavors. The board office will be open all summer, except for July 4, 2018. If community members get a new neighbor or know a family that needs to register a student or students, please come to our central office, located in the city hall building-next door to the Southgate Public Library. Please call with any questions: 734-246-4600.

School of Choice application window for grade 1st through 11th will be open on Monday, July 30th through August 17th and for kindergarten students from August 6th through August 17th. Central Office is already hard at work planning for the return of our students. We are looking forward to welcoming our student back on Tuesday, September 4.

CITIZENS COMMENTS

None

CONSENT

2017/18-166 It was moved by Mr. Kupser supported by Mr. Estheimer, the board approve the May 22, 2018 Regular Board Meeting minutes, the May 22, 2018 Closed Session minutes, HR update and the disbursements for May 2018.

YES: Craig, Estheimer, Freitas, Green, Kupser, Pomponio

NO:

ACTION

1. **Wayne RESA Parent Advisory Committee Nomination:** Ms. Pastor explained to the board, Wayne RESA requires each district to provide at least one representative to serve on the Wayne RESA Parent Advisory Committee. We currently have 2 members. One parent has asked to be removed from this committee due to a job change and the other had a 2018 graduate. Kelly Thomas, the Director of Special Services would like to suggest that the board nominate the following parents: Ms. Michelle Muse-Worthy and Ms. Samantha Shafer.

2017/18-167 It was moved by Mr. Kupser supported by Dr. Pomponio, the board nominate the following parents to represent Southgate on the Wayne RESA Parent Advisory Committee: Ms. Michelle Muse-Worthy and Ms. Samantha Shafer.

YES: Craig, Estheimer, Freitas, Green, Kupser, Pomponio
NO:

2. **Approval of 2018 Form L-4029 Tax Rate Request form:** Ms. McLachlan provided the board with a copy of the L-4029 that, once approved and signed, will go to the cities of Allen Park and Southgate tomorrow morning. There is no change to the debt millage, there is a slight difference in the spread between the two debt levies. The board also received a copy of the report from our financial advisors, the PFM Group. Because the cities of Southgate and Allen Park need a certified Form L-4029 to prepare their tax bills by July 1, 2018, the District's bond counsel recommended that the Board of Education approve the Form L-4029 on June 19, 2018 and provide the Superintendent with the authority to make any revisions based on the budget hearing to be held on June 26, 2018. Ms. McLachlan is confident that the budget hearing will not result in any changes to the 2018 Tax Rate Request Form.

2017/18-168 It was moved by Mr. Kupser supported by Mr. Green, the board approve the 2018 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, 2018.

YES: Craig, Estheimer, Freitas, Green, Kupser, Pomponio
NO:

3. **Approval of the 2017-2018 Amended Budgets for General Operating Fund, Special Education Center Program Fund, Food Service Fund & Community Services Fund:** Ms. McLachlan gave all information during her presentation.

2017/18-169 It was moved by Dr. Pomponio supported by Mr. Kupser, the board approve the 2017/2018 amended budget for the General Operating Fund, Special Education Center Program Fund, Food Service Fund & Community Services Fund, as presented.

YES: Craig, Estheimer, Freitas, Green, Kupser, Pomponio
NO:

4. **Approval of increase in ala carte & related adult meal prices for 2018-2019:** Ms. McLachlan read a memo from Food Service Director, Dan Connors: In reviewing the pricing against the cost of products. I am making these recommendations based on the current pricing and what distributors have been forecasting. The ala carte worksheet is set up to review the snacks sold in schools. The ala carte pricing will help keep our pricing within the food cost range. In keeping with raising prices only when necessary, not all prices have gone up because they are still in the range of our food cost.

The cost of an extra entrée or extra slice of pizza should increase from \$1.90 to \$2.20 in keeping with the regulations to make an ala carte meal equal to or above the cost of a free reimbursement meal. These are ala cart items when purchased separately from the other components that make up a meal.

The adult meal price falls under the category of ala carte but is looked at separately to make sure it is priced correctly. Adult meal pricing needs to be checked every year to stay within the USDA guidelines. The State of Michigan checks the pricing when the school district turns in their CNP application. In the pricing for the meals, the district must account for sales tax and the cost of commodity foods. The worksheet as to how to price the adult meals correctly is

attached. The adult pricing for breakfast remains unchanged at \$3.00. The adult pricing for lunch is required to be increased from \$4.05 to \$4.10. Discussion took place about the competitiveness of our prices with other districts,

2017/18-170 It was moved by Mr. Estheimer supported by Mr. Kupser, the board approve the price increases for ala cart items and related adult meal pricing as presented for the 2018-2019 school year.

YES: Craig, Estheimer, Freitas, Green, Kupser, Pomponio
NO:

5. **Approval of increase in breakfast prices for 2018-2019:** Ms. McLachlan read a memo from Food Service Director, Dan Connors: In reviewing the pricing against the cost of products I am making these recommendations based on the current pricing and what distributors have been forecasting. There is no special tool or worksheet for breakfast. Breakfast should increase \$0.05 across all grade levels. Elementary will go from \$1.45 to \$1.50, and Secondary will go from \$1.70 to \$1.75. The last time breakfast prices were raised was at the start of the 2016-2017 school year. Costs have continued to rise in the two years since the last increase.

2017/18-171 It was moved by Mr. Kupser supported by Dr. Pomponio, the board approve an increase of 5 cents in the elementary and secondary breakfast prices for the 2018-2019 school year.

YES: Craig, Estheimer, Freitas, Green, Kupser, Pomponio
NO:

6. **Approval of 1 year extension of the bread contract with Aunt Millie's Bakery for the 2018-2019 school year:** Ms. McLachlan explained to the board this bid packet is done through the Southeast Wayne county buying cooperative. They reviewed the current contract with Aunt Millie's Bakery, there is an option in the contract to extend for up to four, one-year renewals. A motion was put forward to extend the current contract for one school year with no changes in the present terms. This is the first of the four. Discussion took place about going out for bid on our own instead of with the cooperative.

2017/18-172 It was moved by Mr. Estheimer supported by Dr. Pomponio, the board approve a one-year extension for the bread contract with Aunt Millie's Bakery for the 2018-2019 school year.

YES: Craig, Estheimer, Freitas, Green, Kupser, Pomponio
NO:

7. **Approval of two-year extension of the vending services contract with Perfection Vending, effective September 1, 2018:** Ms. McLachlan explained the current contract with Perfection Vending expires on August 31, 2018. For the contract terms it is the food service directors recommendation, and hers as well, that we renew our contract with Perfection vending for a period of two years subject to annual renewals. The company has complied with all of our requests and they did offer the highest commission which is now important. The other companies that submitted bids two years ago during a formal bid process were: PepsiCo 30% commission on drinks only, they do not do snacks. Variety Vending 15% commission. Coca Cola 20% commission. Perfection has been a long standing vendor for the district dating back to the 90's. The board was provided with a list of the drinks and snacks Perfection provides.

Discussion took place regarding the Food Service Director's absence at this meeting. He was attending a conference in Grand Rapids.

2017/18-173 It was moved by Mr. Kupser supported by Mr. Green, the board approve a two year extension of the vending services contract with Perfection Fending, subject to annual reviews, effective September 1, 2018.

YES: Craig, Estheimer, Freitas, Green, Kupser, Pomponio

NO:

EMPLOYEE REPRESENTATIVES

None

INFORMATION AND ANNOUNCEMENTS

Mr. Estheimer congratulated our retirees, graduates and sent best wishes to the staff for a great summer. He commented on the pleasure he has had in working with both Shelters and Fordline PTO's and looks forward to continue to work with them. He thanked Addie Jones, who is stepping down as the President of the Shelter's PTO as her child moves up. The Summer Food Program will be hosted at Grogan and DMS. This is posted on our website.

Dr. Pomponio congratulated the 2018 graduates. She commented that the new route for the Heritage Days Parade was very nice as she represented the school board, it allowed for closer contact with community members out on the street, it was a well-attended event.

Mr. Green wished everyone a happy & safe summer. He also extended congratulations to all graduates from all of our schools and the retirees, especially Ms. Belchunas, Ms. Chretien, Coach Toschi, Sarah Hurley, and Melanie Holland.

WORK ITEMS

1. 6-8 Science Curriculum - Dr. Baker-Herring gave the board a resource adoption packet along with the most up-to-date invoice. She explained the process for selecting this curriculum. Materials and online components were reviewed by the Study Committee members. A 6 year adoption with all the components would have run approximately \$300,000.00, well out of our budget. After further review by the committee it was decided to purchase the online component, training and 4 chrome-book carts. That came to approximately \$83,000.00. Having extra chrome books will be a benefit to other departments, as the science department will have their own to use and not need to access the existing chrome books. Some curriculum money would be allocated for purchase of equipment and materials needed for labs. Discussion took place about the life of the chrome books, the online components, the training for this curriculum and how it
2. Retreat Agenda - Mr. Craig is developing the agenda and asked board members to give additional items to him. The retreat meeting will be held July 10 at 5:30 p.m. July 24 will be the regular board meeting for the month.

ADJOURNMENT

2017/18-174 It was moved by Mr. Estheimer supported by Mr. Kupser, the board adjourn the meeting at 9:15 p.m.

YES: Craig, Estheimer, Freitas, Green, Kupser, Pomponio

NO:

Respectfully submitted by: Theresa Grzechowski

Dr. Darlene Pomponio-Secretary
Board of Education

For detailed conversation, Board meetings may be viewed in their entirety on our website: www.southgateschools.com

