

OWOSSO PUBLIC SCHOOLS
Board of Education Minutes
Committee of the Whole Meeting
September 11, 2024
Report 24-33

Present: Adam Easlick, Nick Henne, Rick Mowen, Shelly Ochodnicki, Marlene Webster
(arrived at 5:45 p.m.)

Absent: Ty Krauss, Olga Quick

President Mowen called the Board of Education Meeting to order at 5:32 p.m. The meeting was held at the Washington Campus Administration Building, 645 Alger St, Owosso, MI 48867.

Pledge of Allegiance

Public Participation

President Mowen stated that the Board of Education is a public body and recognizes the value of public comment on education issues. Time has been included in the meeting's agenda for public participation. Members of the audience were reminded they should announce their name and group affiliation when applicable and to limit their participation time to three minutes or less. Comments should be directed to the Board and be relevant to the business of the Board of Education. This is not an opportunity for dialogue with the Board of Education. The rules of common courtesy should also be observed.

The following participants addressed the Board:

None

Thrun Polices Presentation

Superintendent Brooks informed the Board that Lucas Savoie, from Thrun Law Firm, was scheduled to present a 20-minute policy overview via Zoom, along with attorney Ray Davis. However, after the agenda was distributed, Treasurer Quick notified us that she would be unable to attend tonight's meeting and requested that this item be rescheduled. We coordinated with Thrun Law, and they have kindly agreed to move the presentation to the next Committee of the Whole meeting in October.

As an update, more districts are transitioning to Thrun for policy management. When we reviewed their presentation a few months ago, a significant number of schools had already made the switch, and that number continues to grow. Corunna Schools recently completed their policy transition, and Superintendent Patel and Superintendent Brooks are scheduled to meet tomorrow to discuss Corunna's experience with Thrun's policies.

Schools to Tools Mobile Field Trip

The Board was shown a video about an exciting event coming up on Monday, September 16, at Lincoln. Our construction trades and woods classes will also participate in a program called "School to Tools," a mobile field trip focused on the trades. It's a fantastic opportunity for all Lincoln students, providing hands-on experience and insight into various trade career paths.

This event is organized in collaboration with the carpenters union and is an excellent fit for our CTE (Career and Technical Education) programs. We're always looking for ways to expose students to different career opportunities, and this field trip is designed to help students, parents, teachers, and counselors learn more about apprenticeship programs and training in the construction trades.

Student Enrollment

Superintendent Brooks presented the enrollment data to the Board using a colored chart that breaks down the district total by building. As of today, the numbers may fluctuate as students continue to move in or out or are being tracked after not yet showing up but are marked as moving. This is a common trend at the beginning of the school year. There are 2,888 students enrolled, down from 2,939 at the same time last year—a decrease of 51 students. However, the district had budgeted for a decline of 75, making this drop better than expected, though still notable.

When reviewing where students are going, it's important to note that while some move to other schools within Shiawassee County, many are relocating out of state. We also receive students from out of state, but we're losing quite a few as well.

As for virtual enrollment, those numbers are included in the overall count. The middle school has six virtual students, the high school has 21, and Lincoln has 32, totaling about 60 students. We assess their performance each semester, reviewing attendance, participation, and grades. If a student isn't meeting expectations in the virtual environment, we require them to return to in-person learning. It's important for students to develop the skills needed to thrive in society, which includes overcoming challenges in a face-to-face setting.

Some students remain virtual due to medical issues or disciplinary reasons. For example, instead of a long-term suspension, some students can continue their education virtually. We can provide a more detailed breakdown of these cases at the next meeting.

Virtual students and their parents must sign a contract outlining their responsibilities. We ask them to return to in-person learning if they fail to meet the requirements.

Regarding kindergarten numbers, we've been monitoring them closely. Right now, we have around 226 kindergartners, but that number is inflated due to the inclusion of fifth-year students. This fifth-year program has grown in popularity, and we do receive full FTE (Full-Time Equivalent) funding for those students.

Budget Update

CFO Tim Dame shared that our financial outlook is more positive than initially anticipated. The audit is expected to be completed by the end of the month, and auditors will be visiting in the next couple of weeks. We now project a budget surplus of approximately \$2 million, an improvement from our earlier conservative estimate of \$872,000 made in June. This surplus is bolstered by an additional \$250,000 from the state to cover retirement costs, inflating our federal fund balance.

We anticipate a healthy fund balance of around 23%, well within the recommended range of 15-25%. This includes \$4 million in deferred revenue designated for specific purposes, such as grants and programs, which most schools would spend immediately but we have strategically held onto. This deferred revenue includes \$3.15 million for specific grants and \$2.7 million anticipated for this year, ensuring strong funding for critical programs and initiatives.

For staffing, Superintendent Brooks stated we have four officers, three nurses, and eleven social workers, though the number of social workers is subject to slight variations. The cost for these social workers is minimized through funding from the RESD, costing the district about \$250,000 last year.

Despite some challenges posed by changes in state funding, such as the reduction of the per-pupil foundation allowance and adjustments to retirement rates, we remain in a strong financial position. The temporary nature of these adjustments poses a risk for future budgets, but we are managing our resources conservatively and seeking additional grant opportunities to maintain and enhance our programs.

The legislative environment remains to be determined, with limited activity expected in the short term. The outcome of upcoming elections may significantly impact future financial planning. We remain committed to careful budgeting and strategic planning to ensure continued economic health.

Discussion on Spicer & PFM Presentations

In our recent meeting with Spicer and PFM, we discussed key takeaways from their presentation, including information on sinking funds and specific upcoming projects. A significant concern is Emerson's outdated HVAC control panels, which cost around \$100,000 to replace. We have already updated similar systems at Washington, Bryant, and Central. Given the critical nature of these control panels and the risk of failure, it's recommended that we solicit bids for their replacement in the summer of 2025 and consider using sinking fund dollars for this purpose.

Another urgent issue is the roof on Washington. The membrane on the southwest corner has detached, leading to water damage inside the building. A repair estimate of \$12,000 has been provided. Since this repair cost is below the bid threshold, we can proceed without formal bidding, even though we previously aimed to avoid using sinking fund dollars. Addressing this issue promptly is crucial to prevent further damage and higher costs.

Communicating these needs to the community effectively is a major challenge. Unlike previous sinking fund proposals, this initiative involves refinancing rather than introducing a new tax, which must be clearly communicated to avoid confusion. Our success will depend on conveying that this refinancing is a strategic opportunity to address critical issues beyond what the sinking fund alone can cover. Given community skepticism and the upcoming election climate, a robust communication strategy—including public meetings and outreach—is essential for transparency and support.

There is considerable skepticism in the community about school funding initiatives. Engaging PFM, Spicer, and Clark, who have previously worked with us, can help address this challenge. Their expertise will be crucial in developing a communication strategy that involves extensive outreach, including meetings, public forums, and informal discussions. This refinancing opportunity allows us to address critical issues that a sinking fund alone cannot resolve. Effective communication will emphasize that this is an extension rather than an increase in taxes, similar to refinancing a mortgage.

The timing and costs of placing the measure on the ballot are also important considerations. Due to new voting regulations, the cost of holding an election has increased significantly, from approximately \$15,000 for previous sinking funds to around \$50,000 for an election in August or November 2025. Additionally, success rates for bond proposals typically decrease during presidential election years.

Reflecting on past campaigns, it's clear that more strategic planning and communication are needed. Simply mailing out bulletins is insufficient. A comprehensive plan, similar to successful bond initiatives, will be crucial. This effort will involve ensuring a clear and consistent message, highlighting that the proposed measure is essentially refinancing rather than increasing debt. This approach is akin to taking a home equity loan—extending the term but not increasing the overall tax burden.

Addressing public concerns about financial management will be vital. Balancing the need for additional funds with perceptions of fiscal responsibility requires clear, transparent communication about the necessity and benefits of this refinancing.

Our financial review revealed a 20% fund balance of approximately \$5.5 million, not accounting for significant deferred costs like roofing and HVAC replacements. Immediate concerns include updating Emerson's outdated HVAC control panels and repairing the Washington roof. Additionally, bond refinancing presents an opportunity to address these critical needs without increasing taxes. A transparent communication strategy will be essential to gain community support, emphasizing that this is a refinancing measure rather than a new tax. Strategic planning and effective outreach will be key to balancing immediate repairs with long-term financial strategy and ensuring the sustainability and efficiency of our facilities.

“thisisourstory”

Our theme for this year, "This Is Our Story," has become the cornerstone of everything we do. It emphasizes the positive aspects of our schools and is prominently featured at all events. We are

committed to promoting this message consistently, highlighting the many remarkable things happening within our schools. This deliberate focus allows us to effectively share our story and celebrate our achievements.

Attendance Policy

Our Attendance Policy continues to evolve as we work to educate both staff and parents. We are focusing on three key attendance codes: A for absence, V for verified, and D for documented. Superintendent Brooks and Dr. Dwyer are collaborating with RESD to implement a new plugin system integrated with PowerSchool. This system will automatically send out notification letters to parents at intervals of five, ten, and fifteen days of absence.

The system is designed to streamline communication and ensure parents are aware of their child's attendance status. We've also improved our tracking for student activities to ensure they are properly coded and not counted against attendance records.

Chronic absenteeism remains a significant concern, despite a slight decrease last year. The state defines chronic absenteeism as 18 or more days absent annually, regardless of the reason. We are addressing this issue with increased communication and partnership with the courts, where recent meetings underscored the importance of improved attendance. We anticipate more discussions with parents as we implement these measures, emphasizing the critical role of consistent school attendance in student success.

Willman Field

Superintendent Brooked addressed the recent updates to the rules and regulations at Willman Fields, particularly regarding Friday night football games. We've implemented several changes based on community feedback and our own observations. Last week's adjustments were a significant step forward, and feedback from our all-admin meeting was very positive—everyone agreed it was the smoothest Friday night game we've had in a long time.

A parent or guardian must accompany kindergarten through 8th Grade children. This measure has helped prevent large groups of unsupervised children from being dropped off. High School Students from Lincoln and the high school must present their student IDs to enter the game. This change aims to reduce disruptions caused by students from other schools. Students from visiting teams still need to purchase tickets, while our students can enter for free with a valid Owosso ID.

We are working on implementing a scanner system to track student IDs and flag any who are suspended. This system will help us manage entry more effectively and ensure that only authorized students attend the games. Overall, these changes are designed to enhance safety and improve the game experience for everyone.

MESSA Insurance Costs

Superintendent Brooks informed the Board about a recent significant increase in our MESSA insurance costs. We were notified a few weeks ago that our insurance rates for all employees have risen by 17.5%, a substantial jump from the previous years' increases of 4.1% and 0.2%. As a capped district, the state limits how much we can contribute towards employee insurance, with any excess costs being passed on to the employees. This means that these higher insurance premiums have quickly offset recent raises we provided.

The primary driver of this increase is a surge in prescription drug costs, a trend affecting organizations nationwide, not just ours. We have a meeting scheduled with MESSA on Monday to explore alternative plans that might help mitigate these costs, including different prescription plans or other options.

We are particularly concerned about the impact on our support staff, who often rely on their insurance benefits. With these rising costs, some employees may find themselves owing money for insurance after working all week. We are actively seeking solutions and have requested quotes from vendors like Blue Cross to explore different insurance plans and programs.

Track at Bryant School

Alice's Playground Project at Bryant is progressing well. We've successfully raised enough funds to cover the cost of the equipment, and a 5K race, recently featured on ABC 12 Mid-Michigan, is helping promote the project across the region. We anticipate receiving the equipment in the next few weeks and are working to secure the funds for its installation this fall.

Excitingly, the Michigan Running Foundation, a statewide organization, has offered to install a full quarter-mile track at Bryant. This track will be a nine-foot-wide paved area, and the foundation will handle all aspects of the project, including preparation and asphalt work, at an estimated cost of \$500,000. They have a proven track record, having installed similar tracks in Detroit, and their endowment supports such community initiatives.

The track will be situated behind the school, near the soccer field area. This addition will benefit students, PE classes, and the wider community, providing a valuable exercise resource. The foundation's tracks typically last 15 to 20 years with proper maintenance, and this asphalt path should be durable and low-maintenance.

We'll need to approve this donation and complete some paperwork before moving forward, with work expected to begin next summer.

Public Participation

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None

Meeting Updates:

- September 25: Board of Education Regular Meeting, 5:30 PM, Washington Campus Gymnasium
- October 9: Board of Education Committee of the Whole Meeting, 5:30 PM, Washington Campus Gymnasium

Important Upcoming Dates:

- October 2: LHS Evening PT Conferences, 5:30 PM, Washington Campus
- October 4: Homecoming Parade, 5:30 PM, Fayette Square
- October 4: Homecoming Varsity Football Game, 7:00 PM, Willman Field
- October 5: Homecoming Dance, 7:00 PM, Owosso High School Gymnasium

Moved by Easlick, supported by Henne, to move into closed session at 6:57 p.m. for the purpose of discussing Superintendent evaluation goals. President Mowen conducted a roll call vote; ayes Easlick, Henne, Mowen, Ochodnick, Webster, nays; none. Motion carried unanimously.

Adjournment

Moved by Ochodnick, supported by Henne, to move into open session at 7:13 p.m. for the purpose of adjournment.

Moved by Easlick, supported by Ochodnick, to adjourn at 7:13 p.m. Motion carried unanimously.

Minutes recorded by Stephanie Goetzinger

Respectfully submitted,


Ty Krauss, Secretary