

Tawas Area Schools  
Regular Board of Education Meeting  
September 12, 2022

The regular meeting of the Tawas Area Board of Education was called to order by President Ulman at 7:00 p.m. on Monday, September 12, 2022 in the boardroom at the administration office and through Google Meets or a teleconferencing method.

Mr. VanderVeen led the Pledge of Allegiance.

Roll Call:

Present: Klenow, Butzin, VanderVeen, Edmonds, Lentz, Bruning and Ulman  
Absent: None  
Tardy: None

Administrators Present: Klinger, Bolen, Mochty, Clouse, Danek.

**POSITIVE HIGHLIGHT**

Mr. Klinger said Mrs. Bolen will present tonight's positive highlight. Mrs. Bolen shared pictures of a courtyard memorial garden project located outside of the media center, which is designed to memorialize past school staff members. She said the memorial garden has been started a few times in the past, but there have been interruptions. The project has several people involved in a variety of ways including Tari Hackborn who has drawn up a plan for the layout, Kerri Buysens who is leading the garden club and Kelly Shufelt who is working with the AP biology class. Phase I is currently underway and will include planting flowers, installing landscape edging and paver bricks. The project is a work in progress and will be ongoing. A fundraising mum sale was held last Friday to help with expenses and was very successful. The board thanked her for the presentation and is looking forward to seeing future updates.

**PUBLIC COMMENTS – INFORMATION AND PROPOSALS**

Mrs. Ulman asked if there were any public comments on agenda or non-agenda items. Golf coach Paul Vainer addressed the board and would like to see a girls' golf team formed. He has 7-8 girls that have been golfing together that are interested and it is a fast growing sport. Amy Jenkins also spoke in favor of a girls' golf team. She doesn't feel that a co-ed team is fair to the girls and would like to see something offered for our girls. Dave Wilkinson introduced himself and said he is running for the board in November. He is a Tawas native and Tawas graduate. He served in the military and is a retired teacher of 35 years. He has now moved back to the area and would like to become involved in the community through the school board. Mrs. Ulman thanked everyone for their comments.

**CONSENT AGENDA**

Motion by Bruning, support by Lentz to approve the consent agenda items which included the approval of the August 8, 2022 regular and closed session minutes. It also included the payment of bills as follows: the monthly contractual and prepaid expenses for the general fund in the amount of \$858,295.21, the sinking fund expenses in the amount of \$34,840.14 and the lunch fund expenses in the amount of \$51,815.80. Letters of resignation were also accepted from bus driver Paul Kotjarvi, and J.V. football coach, Brent Toska. Motion carried unanimously.

## **RECOMMENDATIONS & REPORTS FROM THE ADMINISTRATION**

Mr. Klinger said Mrs. Clouse is recommending Ms. Amanda Gustin be hired to fill a special education educational assistant vacancy. Amanda holds an associate's degree and has experience as an administrative assistant. Motion by Lentz, support by Butzin to hire Amanda Gustin as an educational assistant. Motion carried unanimously.

Mr. Klinger said Mrs. Sancrant is recommending Derek Hopkins for a 3-hour cook's helper position. Mr. Hopkins has excellent food service skills and has worked in our food service department in the past. Motion by Bruning, support by Klenow to hire Derek Hopkins as a cook's helper. Motion carried unanimously.

## **OLD BUSINESS**

Committee Reports – None.

Legislative Report – None.

## **NEW BUSINESS**

Mr. Klinger said Mr. Nathan Miller, CPA, from Stephenson & Co. P.C. will present the audit report for the year ended June 30, 2022. Mr. Klinger said the general fund increased year end fund balance by \$438,982, which is consistent with our final amendment predictions. The Lunch Fund increased year end fund balance by \$52,040 due to the federal reimbursement program. The Sinking Fund increased year end fund balance by \$170,567 due to current year property tax revenues exceeding capital projects completed. The Debt Retirement fund increased year end fund balance by \$2,148 due to property taxes collected exceeding annual bond payments.

Nathan Miller then began the audit report presentation. He began by referring to the Audit Opinion letter and stated that the district received an unmodified opinion, which is the highest level of assurance and best report available. He then referred to the Management's Discussion and Analysis which recaps the current year activity and encouraged the board to read through it when they get a chance. He then went on to the Government-Wide Financial Statements which combines all funds of the district. These statements incorporate all long-term activity such as fixed assets, long term debt, etc. He noted that these are the only statements where the GASB 68 Net Pension Liability and GASB 75 Net OPEB Liability are recorded. The district's ending net position is (\$8,193,359) because of the liability that is required to be recorded. Most districts in the state are in this same situation. This does not mean the district is in a deficit situation. He said there were some big changes from last year, with total revenues increasing by \$438,227 and total expenses increasing by \$1,124,544. The net pension liability decreased \$7,465,436 based on the proportionate share assigned to us by the state and the net OPEB liability decreased \$2,584,636 also based on the proportionate share assigned to us.

Mr. Miller said the fund financial statements are made up of two major funds, including the general fund and sinking fund. The non-major funds include the lunch fund, the student activity fund and the 2015 school building and sites bond fund. He said the general fund ended the year with a fund balance of \$4,975,278. Of that amount \$3,828,927 is unassigned which equates to about 28.94% of our operating expenditures. He said we have \$684,156 in assigned fund balance, \$415,000 in committed expenditures, and \$47,195 in non-spendable funds. He said the 2015 school building and sites bond monies are 100% restricted. The lunch fund is made up of non-spendable and assigned monies. The sinking fund ended the year with a balance of \$494,284. The student activity fund ended the year with a balance of \$223,510, which are assigned funds. Mr. Miller displayed various charts and graphs comparing the last three years' revenues and expenses which were very comparable from year to year, noting increases in both state and federal revenues due to an

increased foundation allowance and ESSER funds. He said approximately 81.84% of our expenses are made up of salaries and benefits, which is typical for schools.

Mr. Miller referred to the Notes to Financial Statements. He indicated that for 2022, the district implemented GASB 87 regarding leases. However, all of the district's long-term leases were not material enough to require recording under GASB 87.

He indicated there were several commitments at year end which included a ceiling tile project, a secure entrance project, gymnasium floor resurfacing, boiler/ventilation project, digital sign project and the purchase of the Aristotle K12 technology platform with a sum total of \$574,790. The required pension and OPEB information shows the plan fiduciary net position as a percentage of total pension liability of 72.60% and the plan fiduciary net position as a percentage of total OPEB liability was 87.33%.

Nathan said the supplementary information pages in the audit shows the general fund revenues came in within 0.91% and the expenses came in within 0.66% of the budgeted numbers. He said that shows excellent budgeting practices by the Central Office staff. The goal is to have less than a 5% variance.

He said the Single Audit had no major program findings. The Management Letter is made up of two appendixes. There were no comments in the first appendix. The second appendix shows no material weakness, no significant deficiency and no written matters to be addressed.

He asked the board if they had any questions, which they did not, and they thanked Mr. Miller for his presentation.

Motion by Butzin support by Bruning to accept the 2021-22 audit report as presented. Motion carried unanimously.

Mr. Klinger said the MASB 2022 delegate assembly will be held at the Grand Traverse Resort and Spa in Acme beginning October 20<sup>th</sup>. All voting delegates must be certified by September 23<sup>rd</sup> in order to vote at the delegate assembly. MASB allows a school of our size to have one voting delegate and one alternate. Mrs. Edmonds said she is interested in attending the conference and would agree to be the delegate. Mr. Butzin said he would be the alternate. Motion by VanderVeen, support by Lentz to certify Ami Edmonds as the delegate, and Michael Butzin as the alternate, from Tawas Area Schools. Motion carried unanimously.

### **INFORMATION & PROPOSALS**

Administration – Mrs. Mochty said the Rachel's Challenge FOR club connected the paper chains at the football game Friday night circling the entire field. The Rachel's Challenge chain reaction assembly will be held tomorrow with two guest speakers and a full day of training for 100 FOR club members. A powderpuff football game will be held September 27<sup>th</sup> with the homecoming football game on the 30<sup>th</sup> and the dance on October 1<sup>st</sup>. Mrs. Bolen said NWEA testing began today and they hope to have results by the end of next week. A representative from MDHHS lead a team-building event to promote social and emotional wellness for 6<sup>th</sup> and 7<sup>th</sup> grade students recently and a GaGa ball pit is coming to the middle school outdoor area soon. Mr. Mejeur said the athletic department is selling yard signs for \$10 supporting Tawas sport teams. They are also selling \$3 wrist bands to students for home games during the lunch periods. Mrs. Danek said there have been 36 new middle school enrollments and 19 high school enrollments. Kagan training at the middle and high school will continue on November 1<sup>st</sup>. Nine students have been nominated as a possible student representative at the board level. Mrs. Clouse said there are 434 students

enrolled at Clara Bolen. 88% of parents attended the Open House in August and the elementary fundraiser will begin on September 30<sup>th</sup> and run through October 10<sup>th</sup>. STAR testing is underway and kindergarten classes are piloting an I READY test with feedback coming by the end of the week. Mr. Klinger said he has finally received state testing data from last year's MSTEP, PSAT and SAT tests and administration is in the process of breaking down the data. The results show minor improvements and administration will continue to review the data to identify areas where extra support is needed. He will present data to the board when the administration team has had a chance to complete their review.

From the Board – Mrs. Edmonds thanked Mrs. McCoy and Mrs. Huitema for the good audit results. She enjoyed the “meet the fall athletes” event and likes the idea of the wristbands for the students. Mr. VanderVeen likes the memorial garden idea and is happy to hear the Kagan program is now in the middle and high school. Mrs. Bruning also likes the wristband idea and hopes it will continue to winter and spring sports. She is pleased that the 8<sup>th</sup> grade students are involved in the memorial garden and hopes they will continue to be involved in its growth throughout their school years. Mr. Butzin welcomed the new hires and thanked the administrative team for their great work. Mrs. Lentz also likes the memorial garden project and welcomed the new hires. She thanked everyone involved in the audit process for doing a great job. She is looking forward to the Rachel's Challenge training tomorrow and is happy to hear the Kagan program has expanded into the middle and high school. Mrs. Klenow thanked Mr. Vainer and the girls interested in golf for coming to the meeting. She thanked Mrs. Mochty for keeping Rachel's Challenge active and she looks forward to seeing the testing results. Mrs. Ulman attended a virtual back to school legal workshop where a variety of legal and hot topics were discussed regarding schools. She is also anxious to see the testing data from last year.

### **ADVANCE PLANNING**

Mr. Klinger said several committee meetings need to be scheduled. A policy committee meeting was scheduled for September 26<sup>th</sup> at 5:00 p.m. and a sinking fund committee meeting was scheduled for September 26<sup>th</sup> at 6:00 p.m. Mrs. Ulman asked to form an ad hoc girls golf club committee, and Mrs. Klenow, Mr. Butzin and Mrs. Edmonds volunteered to be on the committee. That committee meeting was scheduled for September 22<sup>nd</sup> at 5:00 p.m. A personnel committee meeting will also be scheduled in the near future.

Motion by VanderVeen, support by Butzin to adjourn at 8:24 p.m. Motion carried unanimously.