

**East Grand Rapids Public Schools  
Board of Education  
SPECIAL BOARD MEETING  
MINUTES**

**January 12, 2004  
5:30 p.m.**

A Special Meeting was held in the Community Board Room, Woodcliff Center, 2915 Hall St., SE, East Grand Rapids, Michigan 49506.

**Board of Education:** Mrs. Beth Lent, Mrs. Natalie Kuras, Mr. Brian Ellis, Mrs. Rosalie Stein, Mr. Joe Camp, Mrs. Stacy Trierweiler

**Absent:** Mr. Charlie Denton (Arrived at the meeting at 5:53 p.m.)

**Administration:** Dr. James Morse, Mr. Doug Derks, and Mrs. Christine Vettese

President Beth Lent called the Budget Workshop to order at 5:36 p.m.

**Approval of a Request for Unpaid Leave of Absence for Mr. David Kampfschulte**

Mrs. Stein moved and Mrs. Trierweiler seconded the motion to approve of an unpaid leave of absence for Mr. David Kampfschulte for the second semester of the 2003-04 school year as recommended by the Superintendent. Motion carried 6-0.

Dr. Morse stated that on Saturday an EGR student participating in the open gym, sponsored by the Recreation Department at the Middle School, saw someone with a weapon. His parent called "911" and a license number from the car was given to the police. At this time the East Grand Rapids police and the Recreation Department are following up the report. No one was harmed nor threatened.

Mrs. Lent indicated that this meeting is the first step in the budget process to present a balanced budget to the community in June for the 2004-2005 school year. She turned the meeting over to Dr. Morse who indicated that we would begin by talking about a process. We are not looking to have answers tonight but will give assumptions. We will have a challenging year to balance the 04-05 budget with the reduced revenues from the State of Michigan. Dr. Morse stated we need to work together for the good of our children. This is a great community that comes together to work for the kids. Dr. Morse then introduced Mr. Derks, Assistant Superintendent of Business. He stated that Mr. Derks is a leader in Kent County. He looks ahead and saves thousands of dollars each year for the district.

Mr. Derks presented a short history of school finance and discussed assumptions for the East Grand Rapids 2004-05 budget. He stressed that we need to keep focused on our mission statement. He said the budget is a tool to help us with our Strategic Plan. He listed programs and methods that have been implemented the last several years to make us be more efficient and prepare for hard times. Prior to last year, we received Foundation grant increases of 2.9%. Last year we had a \$50/pupil reduction during the school year and had to make over \$1 million reductions. This year, per state budget modifications, we will have a decrease of \$84/pupil (as of today) pending revenue consensus on Wednesday. The State is projecting a deficit of \$1.2 to \$1.5 billion dollars in their budget. Our student enrollment is estimated to have a reduction by 47 students. Expenditure assumptions are mostly unknown. Most of the assumptions will not be finalized until after the Board approves the budget. Therefore, we need to be flexible in our planning to be able to provide the best we can for student learning. We need to be looking at things differently and look at program restructuring.

Mr. Denton entered the meeting at 5:53 p.m.

Mr. Derks reminded everyone of what programs were kept last year but will be looked at again this year. Already elementary teaming has been eliminated. Dr. Morse mentioned that Middle School Teaming is

currently being looked at. The Middle School would like enough lead time to develop a 6 period day. Dr. Morse would like to tell them to go ahead and begin planning for the 6 period day for next fall. As we develop recommendations for 2004-05, we will be reviewing all revenue and expenditure areas.

The budget calendar presented. Mr. Derks presented a program showing the financial outcomes of various assumptions with revenues and expenses. Health care accounts for the highest increase. The Retirement rate is set by the state, we have no choice. Utilities are the highest they have been over the last couple years. We anticipate up to a 10% increase due mainly to the cost of natural gas. We are not showing any increase in salary schedules currently, but we have contract negotiations for both teachers and support staff this year. If the Special Education millage passes it would equal \$440,000 revenue for East Grand Rapids alone!

Mrs. Lent thanked Mr. Derks and gave Board members an opportunity to ask questions or make comments. She then reminded everyone that this problem is not unique to East Grand Rapids, but all districts are experiencing hard times.

Mrs. Trierweiler asked what the savings amount would be to reduce teaming at the Middle School. Mr. Derks responded it would be \$110,000. Mr. Denton asked what the projected enrollment for next year is. It is anticipated to be 2,840 students. Mr. Derks stated that East Grand Rapids is under funded by a million dollars for Special Education. Even with the Special Education millage, we will still be under funded.

Mr. Ellis complimented the staff saying they are a great and talented group of people who have been able to accomplish this in a collaborative manner, by giving and taking, and coming up with good plans. He confirmed again that students will be upper most in mind as the district goes through the process. He encouraged everyone to keep in mind the big picture. To some degree we are doing what we have been doing in the past but only less of it. He stated we may have to look at total programs going away. He challenged administrators to look creatively at ways to reduce. He mentioned that last year, in only a few short weeks, the community pulled together and raised money to help with the deficit. He stated if we were to start this process now this might be another way to go.

Mrs. Stein commented that she would like to keep anything from 8:00 a.m. till 3:30 p.m. off the table and anything after 3:30 p.m. needs to be looked at to see what can be reduced. Every school district is being challenged but we need to begin by looking now and do things differently. She challenged administrators and the Finance Committee to look at how funds are allocated and do what we can to keep the funds in the classroom.

Mr. Denton stated all of us, staff, administrators and parents need to work together. He encouraged everyone to look for partnering opportunities that may be available. He suggested that PTA Booster groups could adopt a program, we could look at using volunteers as instructors, and the Foundation could enhance our offerings. He stated we need to support the Foundation so they can help us continue our programs.

Mrs. Kuras thanked Mr. Derks, Dr. Morse, and the Budget Committee. She stated that the Board of Education will attempt to make the reductions as painless as possible.

Mrs. Trierweiler encouraged everyone to contact their legislators and let them know that this is crisis mode for schools. She stated we need to keep letting them know and tell them we need help now. She mentioned that there are links on our website to e-mail legislators.

Dr. Morse stated that current funding is not working and will not work any more. Proposal A cannot support public schools. We need to change how schools are funded. We need appropriate funding for schools in this state. He predicts more schools will also be looking at closing early, operating on four-day

Board of Education Minutes  
Special Board Meeting  
January 12, 2004  
Page 3

weeks, and other strategies. No Child Left Behind is an unfunded mandate. Every day we receive more and more rules from government in order to comply.

Mr. Camp challenged people to be prepared to offer other savings if they are passionate about saving a certain program. We cannot just be passionate about programs and not come up with other options for savings. He stated that the Board will balance the budget, which is our mandate.

Mrs. Lent thanked the administrative group for the presentation and the foresight to begin early and work on these issues. It is a difficult process to get where we need to be. She is happy to see so many people coming out tonight and challenged people to put time and effort into thinking what we can do, coming up with new strategies. She then asked if audience members had any questions.

A Community Member asked who is on the budget committee? Mr. Derks stated administrators and a few teachers give initial recommendations. The committee meets five or six different times and Mr. Derks will give monthly updates to the Board. There will be no formal recommendations given by the Board until April. Administrators serving on the Budget Committee include: The High School Principal, the Middle School Principal, an Elementary Principal, the Special Education Director, the Assistant Superintendent of Instruction and himself. Board representatives to the Finance Committee are: Brian Ellis, Natalie Kuras and Joe Camp.

Mr. Derks discussed the next steps in the budget process. He stated that over the last few years staff have given great input and all ideas are taken seriously. This will be an ongoing process over the next few months. By the end of March there should be a time scheduled to have a community forum.

Dr. Morse said that reductions have been a challenge, but the administrators have tried to protect teachers and classrooms and trim other areas. Salaries and benefits are the largest part of the budget. Mrs. Lent said that with a greater number of variables, we will have to be flexible. Mr. Camp complimented Mr. Derks for the compactness of the budget presentation and confirmed that we knew that the Proposal A shortfalls were coming.

Dr. Morse thanked Mr. Derks for his presentation and complimented him on his leadership in the budget area. He also indicated that his priority was maintaining academic excellence in the district. He said this would be one of the most challenging budgets that he has had to deal with over the last 20 years and it will not be an easy process. All programs within the district will be reviewed. But, we are starting early, have a good administrative team, support of the Board of Education, and our staff will work with us throughout this process.

Adjournment

Mrs. Lent adjourned the meeting at 6:37 p.m.

Respectfully submitted,

Rosalie Stein, Secretary  
East Grand Rapids Board of Education

\* Copies of these minutes may be requested from the Superintendent's Office, East Grand Rapids Schools, Woodcliff Center, 2915 Hall SE, East Grand Rapids, MI 49506, or call 616-235-3535.