

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

**January 17, 2005
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, Mr. Charlie Denton

Administration: Dr. James Morse, Mr. Doug Derks

President Beth Lent called the Budget Workshop to order at 5:34 p.m.

Budget Workshop

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 2005-2006 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 05-06 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.

Mr. Derks presented a short history of school finance and discussed assumptions for the East Grand Rapids 2005-06 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 over the last several years to make us be more efficient and prepare for hard times. Prior to a couple of years ago, we received Foundation grant increases of 2.9%. Last year we had an \$84/pupil reduction during the school year. In our assumptions we are not anticipating a foundation grant increase for next year. This may change when the Governor presents her State budget recommendations in February. Our student enrollment is estimated to be flat for next year.

Mr. Derks presented budget assumptions and discussed times when the unknown factors would become known. There will be approximately a \$700,000 deficit based on the current assumptions. The Budget Committee is in place and has good representation of administrators, teachers and support staff.

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. Lent asked about itinerant staff reimbursement through KISD, which was set up this last year. Mr. Derks stated that the State said dual employee agreements are not allowed. The agreement had been approved in advance by various State agencies and it was frustrating when the State determined in the middle of the year that it would not be allowed.

Mr. Ellis said that no matter what the numbers, we would still need to make cuts. We have already made many cuts through the last few years but we still need to come in with a fresh and open mind when bringing suggestions and making cuts.

Mr. Denton feels our approach and the representatives on the Budget Committee are excellent.

Board of Education Minutes
Special Board Meeting
January 17, 2005
Page 2

Mrs. Stein wanted to make sure the community is aware of what our deficit would be without the Recreation millage, which generates \$600,000 annually in revenue. She would like us to try not to touch anything in the K-2 classrooms. This will be the 4th year of frozen budgets in the individual schools. She stated we need to look at what programs rely on "General Fund" allocations and look at what other ways they can be funded.

Mrs. Lent stated that funding from the State and Proposal A must be looked at. What is the priority of the State?

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 again would be a challenging time working on the budget 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 6:24 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.

aht – 01/19/05