

# MANCELONA PUBLIC SCHOOLS

## Board of Education Minutes of Public Meeting June 23, 2020

### Public Hearing

Present: Derrer, Musselman, Ross, Clark, Thompson, Ackler, Macquarrie

Central Office Staff: DiRosa, Meeder, Phillips

President Thompson called the hearing to order at 4:15 p.m. in the Middle School Media Center.

Shelly Meeder presented amendments for this school year's budget and addressed the budgets proposed for next year.

### Budget Amendments for 2019/2020- General Fund

We are proposing a budget amendment that does not include a reduction in the current year per pupil amount. In considering the guidance that we use to make the decision (MASB, MSBO, Michigan finance listerv and local Superintendent meetings), we have decided to not reduce the 19/20 per pupil and to decrease the 20/21 per pupil by \$650. Please understand that a proration could still happen and would cause a budget letter from the State.

The overall budget has improved since amendment by approximately \$289,000. We recognized some additional revenue from a timber sale of \$29,740, TBAISD 40,000 and \$54,000 in insurance proceeds because of the water leak at the high school. On the expenditure side, several line items have reduced as a result of the unanticipated COVID closure.

### Budget Amendments for 2019/2020- Day Care

We are projecting a significant increase to the fund balance of just over \$54,000. During the closure, the local revenue decreased which is the money received from paying clients. You will also see a decrease in the expenditure line-purchased services which is due to the contracted employees being on layoff. What saved this fund was the ability to continue to bill Department of Health & Human Services (DHHS) and Northwest Michigan Community Action Agency (NMCAA) at a pre-COVID levels to continue to be a viable resource to communities.

## Budget Amendments for 2019/2020- Food Service

The federal revenue increased substantially due to feeding approximately 400 students per day during the closure. These 400 students received three meals per day for seven days a week. On the expenditure side, supplies support an increase to food/supply purchasing during closure and the capital outlay line item which is vinyl flooring in the elementary cafeteria.

## Special Revenue – School Activity

This budget represents all of the ins and outs of our student activity accounts (class accounts, sport teams, boosters, etc.) This is the first full year of the new guideline which will require a review of selected transactions by our auditors.

## Budget Proposals for the 2020-2021 year:

### General Fund

This budget is based on an estimated enrollment of 900 students and a per pupil amount of \$7,461 which is a \$650 per pupil cut from the current foundation allowance. For revenue, most funding levels such as a retirement offsets, grants, and miscellaneous revenue are consistent with the 19/20 revenues. One change is distribution of fund balance from TBAISD over 12% of fund balance prorated to their local districts and we have chosen to take this payment of \$225,736 over two years.

On the expenditure side, medical caps increased 2% and retirement is contained at approximately 28% (from actual 42.72%) thanks to retirement offsets (mentioned above). Otherwise, pre-COVID expenditure levels from 19/20 were used to develop this budget.

### Day Care

This fund is projected to have a slight increase to fund balance. We are hopeful for enrollment numbers to maintain as this program begins to open this summer.

### Food Service

We anticipate that this fund will continue to be profitable as we will be in year 3 of 4 of the community eligibility program which provides free breakfasts and lunches to all students. We will likely be forced to spend down this fund balance per federal regulations that limit fund balance to an average of 3 months of expenses.

### School Activity

As mentioned above for 19/20, the revenue of this fund represents projected deposits to all student activity accounts and the expense represents anticipated spending.

Burt Thompson asked how many students we reported at last pupil count. Shelly stated 940.

Musselman/Ross adjourns at 4:27 p.m.

YES: 7  
NO: 0  
Motion carried.

Respectfully submitted,



Laurie Phillips  
Recording Secretary



Kim Musselman  
Secretary