

UTICA COMMUNITY SCHOOLS
BOARD OF EDUCATION MINUTES
Budget Hearing – June 8, 2009
Joan C. Sergent Instructional Resource Center
14201 Canal Road
Sterling Heights, MI 48313

Attending: C. Klenow, G. Klida, M. Templeton, C. Territo, R. Ross, J. Prybys, D. Meyers

1. – 2. Meeting Call to Order

Dr. Klenow called the meeting to order the Budget Hearing and stated it is for the purpose of budget

Dr. Klenow stated that by State law each school district must hold a public hearing on its Budget, proposed property tax millage rate and Breakfast Program.

3. Community Correspondence

No correspondence was acknowledged.

4. Public Communication

Dr. Klenow reviewed the Public Communication guidelines. The following individuals addressed the Board of Education:

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|---------------|----------------|
| Paige Roebuck | Vanet Ames |
| E.I. Swanson | Claudia Rzepka |
| Kirsten Rothe | Linda Roberts |

5A-5B. Budget Hearing

Mr. Richard Montcalm, Assistant Superintendent for Business and Finance presented information on the current budget situation.

By State law each school district must hold a public hearing on its Budget, proposed property tax millage rate and Breakfast Program. Prior notice of the hearing has been published in accordance with State requirements.

Budget Hearing – June 8, 2009

Each school district must hold a public hearing on its budget before adoption by the Board of Education.

The hearing concerning the 2009-2010 budget was conducted on June 8, 2009, at the Joan C. Sergent Instructional Resource Center. The hearing includes a discussion of the Breakfast Program and the tax levy.

Mr. Montcalm stated the importance of the 2009 Bond passing to enable technology, maintenance and reminded the public that no salaries can be paid out of this money and stated that all taxable properties in the school district pay a school tax of six mills to the State of Michigan in their summer tax bills.

School Breakfast Program

Mr. Richard Montcalm reviewed the school code mandates that all PK-12 school districts operate a school breakfast program. The law provides relief from this mandate for those schools that have a percentage lower than 20 percent of its students classified as needy. Twenty schools are within these state guidelines.

Headlee

School Districts are required to complete the Headlee Calculation each year to determine whether a reduction in the operating levy is necessary. This calculation compares property taxable value growth to the consumer price index, if a result of less than 1.0 is calculated, a millage rollback is required.

Budget 2009-2010

The State of Michigan's Uniform Budgeting and Accounting Act requires that the Board of Education of the Utica Community Schools adopt a budget for 2009-2010 prior to July 1.

Discussion held by the Board of Education members on the current state of the economy, and the status of the use of the district's fund equity, which has been utilized to balance the loss of revenues for the past several years. The continued strain on the fund equity at increasing levels will result in a cash flow problem, which may force the district to borrow in anticipation of state revenues.

Dr. Johns stated that the public should be aware that the districts current school year ends on June 30, 2009 and noted there is concern that all the details of the federal stimulus money are not yet clear.

Dr. Klenow thanked Dr. Johns and the administration for the report.

Motion by Klida, supported by Ross, to adjourn the Budget Hearing at 7:35 p.m.

Motion carried.

Respectfully submitted,

Michele Templeton, Secretary
Utica Community Schools
Board of Education