A Regular Meeting of the Board of Education of Midland Public Schools was held Monday, June 10, 2019, beginning at 7:00 PM in the Midland Public Schools Administration Center, 600 E. Carpenter Street, Midland, Michigan.

1. CALL TO ORDER: ROLL CALL
   Board Members Present: Vice President McFarland, Treasurer Fredell, Secretary Baker, Member Blasy, Member Lauderbach, Member Rausch
   Board Member Absent: President Singer
   Central Staff Present: Superintendent Sharrow; Associate Superintendents Cooper, Brutyn, Miller-Nelson
   7 audience members were present for this meeting.

2. CONSENT AGENDA
   Lauderbach/Rausch moved for approval of the consent agenda.
   2.1. Approval of the Meeting Minutes from the May 20, 2019 Regular Meeting and Closed Session.
   2.2. The following staff members announced their resignation as of these dates:
       <> Samantha Altman, Paraprofessional, Northeast MS, May 3, 2019
       <> Jamie McCann, Grounds, May 24, 2019
       <> Margaret Norman, Paraprofessional, Central Park ES, June 7, 2019
   2.3. Approval of the payment of the school system's bills for the month of April 2019, as listed in the check registers, prepared by Ms. Holderby, in the total amount of $12,374,257 was recommended. The distribution of obligations by fund is included in the documentation.
   2.4. Approval was requested to authorize the following legal payments:
       <> Thrun Law Firm, PC, $ 4,628.31, May 23, 2019, Professional Legal Fees
       <> Thrun Law Firm, PC, $63,243.00. May 7, 2019, Legal Fees Re: Series II
   Motion carried unanimously.

3. BOARD OF EDUCATION MATTERS--PRESENTATIONS TO THE BOARD
   3.1. Rausch/Fredell moved for approval of the following item:
       The Michigan Attorney General ruled in 1977 that the Michigan High School Athletic Association (MHSAA) is a private organization, and therefore, cannot be delegated governmental authority to regulate public school athletics. However, a school district may join the Association and may adopt the Association's rules as its own. The school district must then accept the responsibility to enforce these rules in the district. The Midland secondary schools have long been members of the MHSAA. A copy of the minutes of the May 2019 meeting of the Representative Council of the MHSAA, which provides information on athletic changes for the 2019-20 school year, has also been provided. The administration recommended that the Board
       <> Approve membership in the MHSAA for the four Midland Public Schools' secondary schools again for 2019-20.
       <> Adopt the rules of the MHSAA as published in its current HANDBOOK and qualifications as published in the Bulletin with above changes, to govern athletic competitions in Midland Public Schools in 2019-20.
       <> Accept the responsibility of enforcing these rules for the Midland Public Schools. A formal resolution embodying these recommendations was attached. A roll call vote of the Board was taken; the Board's secretary is authorized to sign the resolution as approved. Motion carried unanimously.
   3.2. Fredell/Lauderbach moved for approval of the 2019-20 Salary Adjustments for MPS Employee Groups. Mr. Cooper made salary and benefit recommendations for administrative assistants/office professionals; administrative employees; athletic event supervisory employees; auditorium and support technicians; Co-op students, work experience students and student assistants; management employees; preschool employees; substitute teachers (those not contracted through PESG); substitute/temporary secretaries; temporary
(seasonal) employees; therapy assistants and transportation employees for the 2019-20 school year as follows:

- All major employee groups received between a 2% to 3% increase on their salary and wage scales.
- Rates will be increased on January 1 to meet the State of Michigan’s adjusted minimum wage per hour from $9.45 to $9.65. Wages that would change are indicated in bold on the pages that follow.
- Where permitted by law or required by Board policy, pay all merit-based or negotiated increases that move an employee through a range or along a scale.
- Pay a stipend of $250 to each administrator (excluding the Superintendent and Associate Superintendents) and $150 to each teacher with a “highly effective” rating on their annual evaluation. Each district in the State is required to implement a “performance-based compensation” system for teachers and administrators. To comply with this requirement each administrator/teacher receiving a “highly effective” rating will have their stipend deposited in a 403(b) account set up by the administrator or teacher no later than July 31 for the “highly effective” rating earned in the previous fiscal year.
- Continue the district medical plan as a HDHP ($1,350/$2,700 will rise to $1,400/$2,800 on 1/1/20) with a HSA. District funding of the HSA will continue to be funded over two payments annually, but will be 2/3 in January and 1/3 in September.
- Legislative changes to the Michigan Public School Employees Retirement System in 2012 created a structure of 14 separate classifications of payroll rates. Current rates range from 20.96% to 27.50% of payroll, depending on date of hire and retirement status.
- Continue the percentage contribution of gross wages to help defray the costs of health benefits for employees. The rates for 2019-20 are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Single</th>
<th>Employee + 1</th>
<th>Family</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrators</td>
<td>1.75%</td>
<td>2.5%</td>
<td>3%</td>
</tr>
<tr>
<td>MCEA</td>
<td>1.75%</td>
<td>2.5%</td>
<td>3%</td>
</tr>
<tr>
<td>MCESPA</td>
<td>0.75%</td>
<td>1.5%</td>
<td>2%</td>
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<tr>
<td>MFP</td>
<td>0.75%</td>
<td>1.5%</td>
<td>2%</td>
</tr>
<tr>
<td>Office Professionals</td>
<td>0.75%</td>
<td>1.5%</td>
<td>2%</td>
</tr>
<tr>
<td>Unaffiliates not listed above (Managers, Building Managers, Work Station Techs, Preschool Employees, Bus Drivers)</td>
<td>0.75%</td>
<td>1.5%</td>
<td>2%</td>
</tr>
</tbody>
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If changes made by the State of Michigan have a major financial impact on Midland Public Schools, or if district revenue projections are significantly reduced, the salary and benefit recommendations detailed above may need to be reevaluated.

Mr. Sharrow recommended approval of the 2019-20 wage adjustments as submitted. Motion carried unanimously.

3. Mr. Cooper presented the 2019-20 General Fund Budget. Michigan Public Act 621 of 1978, the “Uniform Budgeting Act,” requires all local governments to adopt balanced budgets, in a format specified by the State, before July 1 of each year. Mr. Cooper shared historical budget and millage rate information.

Millage Rates: 18 mills on non-homestead property; 1.8090 mills on homestead and qualified agricultural property (hold-harmless); 2.95 mills on all properties for the 2015 school building and site bonds.

### 2019-20 Budget Using Executive Proposal Figures

| Budgeted revenues:          | $81,212,554 |
| Budgeted expenditures:      | $83,117,259 |
| Excess Revenue/(Appropriation): | ($1,904,705) |
| Expected budget variance 1.5% (historical 2% to 3%): | $1,246,759 |
| Anticipated surplus (shortfall): | ($657,947) |
| Anticipated unassigned fund balance on June 30, 2018: | $15,552,043 |
| % of Expenditures Available in Spendable Fund Balance: | 18.7% |

### Major Revenue Assumptions

**State Aid Foundation:** (Unknown)
- $100 per pupil foundation increase ($8631).
Categorical: (Unknown)
- Maintains 147a(1) MPSERS Cost Offset and 147a(2) MPSERS rate of return reduction but estimated allocation down $210,000.
- Maintains 147c MPSERS rate cap.

State Aid Categorical Assumptions:
- Retirement rates up approx. 1.4%
- Maintain 31a at-risk funding at current level.
- No MISTEM,104d, 147e, 22n, or Safety grants.
- The STEM gift/grant and WE/Diversity were fully received in 2018-19.
- County-wide enhancement millage down approximately 6%.
- MCESA special education transfers down Medicaid reimbursement down $400,000.
- Enrollment -30 students (Blended Count--7651)

Major Expenditure Assumptions:
- Continued use of the “Balance our Budget” process maintaining building and department expenditures close to the levels of the 2018-19 school year.
- Approximate 2-3% salary increase for employees. Step increases.
- Increase in medical and vision premiums of 5%. 6.5% in dental.
- Same level of employer HSA contributions but switch to 2/3 in January, 1/3 in September.
- Federal allocations for Title I, IIA and ID are at 85% of 2018-19. No carryover included at this time.
- Staffing patterns reflect the continuous process of evaluating vacancies for replacement, reduction or additional.

If the final version of the State School Aid Act is different from this proposed budget, we recognize we may need to amend this budget in the fall. Administration will seek Board Action on the 2019-20 Budget on Monday, June 24, 2019.

Mr. Cooper thanked Business Office Director Lori Holderby and her team as well as the building principals and MPS departments who helped put the 2019-20 budget together.

Board members asked questions of Mr. Cooper about the proposed 2019-20 budget and thanked him and his team for their hard work in the presentation of the 2019-20 budget.

3.4. Vice President McFarland declared the PUBLIC HEARING for the 2019-20 General Operating Budget opened and requested public feedback on the proposed budget:
No hearings were requested.
Vice President McFarland declared the PUBLIC HEARING for the 2019-20 General Operating Budget closed.

3.5. Summer Tax Rate – Mr. Cooper explained the Summer Tax Rate process.
Lauderbach/Fredell moved for approval of the Certification of Summer Taxes for 2019 Resolution.

WHEREAS, this Board of Education was authorized by the electors of the Midland Public Schools on November 4, 2014 to assess up to 18 mills of the taxable valuation of the school district for 10 years, 2015-2024, for the general operating fund, subject to the limitations of Article 9, Section 31 of the Michigan Constitution of 1963, as amended; and

WHEREAS, Section 1211 of the Revised School Code, as amended, provides that the Board of Education of the school district may levy 18 mills of the taxable valuation of non-homestead property within the school district for school operating purposes and exempts principal residence, qualified agricultural, qualified forest, industrial personal, and commercial personal property from such levy; and

WHEREAS, Section 1211 of the Revised School Code, as amended, further provides that if the foundation allowance of a school district calculated under Section 20 of the state School Aid Act for the 1994-95 state fiscal year was more than Six Thousand Five Hundred Dollars ($6,500) per pupil, such school district may reduce the number of mills from which principal residence, qualified agricultural, qualified forest, industrial personal, and commercial personal property are exempted by up to the number of mills, as certified by the Michigan Department of Treasury, required for the school district's combined state and local revenue per membership pupil for the school fiscal year ending in 1995 to equal the school district's foundation allowance for the state fiscal year ending in 1995, and may levy that number of mills in succeeding years for school operating purposes on principal residence, qualified agricultural, qualified forest, industrial personal, and commercial personal property, subject to certain limitations; and

WHEREAS, the supplemental millage rate applicable to principal residence, qualified agricultural, qualified forest, industrial personal, and commercial personal property of the Midland Public Schools for the 1994-95 fiscal year was certified by the Michigan Department of Treasury as 5.6523 mills; and
WHEREAS, the Midland Public Schools has taken the action required by Section 1613 of the Revised School Code, as amended, to conduct a summer tax levy for 2019, and communicated such action to the City of Midland by letter dated November 19, 2018; and

WHEREAS, Public Act 38 of 1999, being MCLA 211.39, requires that millage rate assessments be rounded down to four decimal places; and

WHEREAS, the electors of the Midland Public Schools on February 24, 2015, authorized this Board of Education to issue bonds and to assess the taxable property within the district for the purpose of collecting monies to pay the debt service on these bonds and to deposit such monies into the related bond debt retirement fund, subject to the limitations of the Revised School Code as amended;

NOW, THEREFORE, BE IT RESOLVED, that there be spread on the 2019 Summer Tax Roll a tax levy on the taxable value of non-homestead property of the school district within the City of Midland of 9 mills for the general operating fund; and

RESOLVED FURTHER, that there be spread on the 2019 Summer Tax Roll a tax levy on the taxable value of principal residence, qualified agricultural, qualified forest, industrial personal, and commercial personal property of the school district within the City of Midland of 0.9045 mill for the general operating fund; and

RESOLVED FURTHER, that there be spread on the 2019 Summer Tax Roll a tax levy on the taxable value of commercial personal property of the school district within the City of Midland of 3 mills for the general operating fund; and

NOW THEREFORE, BE IT RESOLVED, that there be spread on the 2019 Summer Tax Roll a tax levy on the taxable property of the school district within the City of Midland of 1.475 mills to pay the debt service on the voter authorized 2015 School Building and Site Bonds, series I & II and to deposit such collected monies into the related bond debt retirement fund; and

RESOLVED FURTHER, that if the revenues produced by the above levies for operating purposes result in revenues exceeding or falling short of the limits specified in Section 1211 of the Revised School Code, as amended, such difference shall be made up in the school district’s next regular tax levy, in accordance with such section; and

RESOLVED FURTHER, that the Clerk of the City of Midland be and hereby is authorized and instructed on behalf of the Midland Public Schools to assess and spread the amounts and only those amounts required by the above mills on the 2019 Summer Tax Roll.

A roll call vote was taken by those members present  Ayes: McFarland, Baker, Fredell Blasy, Lauderbach, Rausch (Absent: Singer). Motion carried unanimously.

3.6. Vice President McFarland gave information on Superintendent Sharrow’s proposed 2019-20 contract. When the Board did Mr. Sharrow’s evaluation in December of 2018, he was rated highly effective in all categories. Vice President McFarland went on to discuss Mr. Sharrow’s proposed contract changes of adding an additional year onto the contract to maintain a five-year contract, expiring in 2024; his proposed salary increase being in line with the other employee group salary increase for 2019-20. Vice President McFarland accepted a motion by Lauderbach with support from Rausch to extend Mr. Sharrow’s employment contract with Midland Public Schools from July 1, 2019 to June 30, 2024 effective July 1, 2019. Board members commented on their appreciation for Mr. Sharrow’s leadership of the district. Motion carried unanimously.

4. REQUESTS TO ADDRESS THE BOARD:
No hearings were requested.

5. CURRICULUM, INSTRUCTION AND ASSESSMENT
Study Committee Chair: Ms. Baker; Staff Resource Person: Ms. Miller-Nelson

5.1. Curriculum, Instruction and Assessment (CIA) Study Committee Minutes from May 20, 2019 were read aloud by Ms. Baker, Chair

Members present: Lynn Baker (chair), Mary Fredell, Phil Rausch, Penny Miller-Nelson, Mike Sharrow

Guests Present: Kevin Dodick and Bill Brown.

Meeting Location: Building Trades House (401 Arbury Place)

Building Trades House Update and Tour: Kevin Dodick, Building Trades teacher, Bill Brown, City of Midland Building Department Liaison, and the building trades students discussed the overall Building Trades project and partnership for the 2018-19 school year. This year’s partnership included the City of Midland and Habitat for Humanity. The students provided the tour and shared details about the learning experiences they had with the various aspects of construction including framing, electrical, HVAC, plumbing, and finish carpentry. The students expressed great pride in knowing they are giving back to the community through this construction project. This opportunity was also used to recognize seniors
graduating from the Building Trades Program and to celebrate that nearly all are entering post-secondary programs or careers in the skilled trades area.

6. FINANCE, FACILITIES AND OPERATIONS
Study Committee Chair: Ms. Fredell; Staff Resource Person: Mr. Cooper

6.1. Finance, Facilities and Operations Study Committee Minutes from June 3, 2019 were read aloud by Ms. Fredell, Chair
Members present: M. Fredell (Chair), S. McFarland, P. Singer, M. Sharrow, R. Cooper, L. Holderby
Guests Present: Daryl Dombrow-Barton Malow,
Bond Update: Mr. Dombrow provided the FFO committee with a construction update, a bond worklist review, and a summer 2020 project/process update.
Finance/Facilities/Operations: Mr. Cooper reviewed and discussed the following items with the committee: 1) April financial reports; 2) Upcoming summer tax resolution and millage rates for 2019-20; 3) The 2019-20 employee salary letter; 4) The 2019-20 proposed budget; 5) The superintendent’s contract/compensation

6.2. For Information: Gifts totaling $5,456.00
<> $ 245.00 for Siebert ES food service scholarships from Mr. and Mrs. Donald Rich
<> $ 350.00 for food service scholarships from Mom’s Club of Midland
<> $ 150.00 for birdies for gym from Northeast MS Viking Parents Association
<> $ 300.00 for Adams Think! Energy Minigrants from National Energy Foundation
<> $3,811.00 for hockey jerseys from HH Dow HS All Sports Boosters
<> $ 250.00 for Jefferson MS Techno Huskies FTC from Midland Morning Rotary Club
<> $ 350.00 for Woodcrest Non-Violence Week from Midland Area Comm Foundation

7. HUMAN RESOURCES
Study Committee Chair: Mr. McFarland; Staff Resource Person: Mr. Sharrow

7.1. Ann K. Bennett, Paraprofessional, Siebert Elementary announced her retirement as of 05/30/2019.

8. SCHEDULED ACTIVITIES--FOR INFORMATION
The following is a listing of scheduled meetings or activities of the Board of Education for 2019. All meetings are Regular and Special Meetings of the Board of Education and begin at 7:00 p.m. at the MPS Administration Center (600 East Carpenter, Midland) unless otherwise noted:
<> June 24, 2019 <> September 16, 2019 <> November 18, 2019
<> July 15, 2019 <> October 21, 2019 <> December 16, 2019
<> August 19, 2019

9. CORRESPONDENCE TO AND FROM THE BOARD OF EDUCATION

9.1. For Information: Letter from the Board of Education to:
<> Mr/Mrs Mark Nitz <> Bob Pierce <> Gougeon Employees Foundation <> DHS Parent Advisory Committee <> Dow Chemical Company <> Brian Stadler <> Rehab Associates of MidMichigan PLC <> Woodcrest Elementary PTO <> Siebert Elementary PTO <> Jefferson Music Parents Association <> Jefferson Parent Advisory Committee <> Barbara Gehring <> Members First Credit Union <> MHS Music Parents Association <> Viking Parent Association <> Trish McDaniel <> Clare Auto Sales, Inc. <> Garber Automotive Group <> Mid State Collision <> Eastman Animal Hospital LLC <> Brian Sieg <> Mr/Mrs Doak Stolz <> Midland Area Community Foundation

10. STUDY DISCUSSION SESSION
This portion of the agenda is utilized by the Board to introduce topics for future study, to discuss school district related matters, to complete professional association business and to relate items of interest. No action is taken during this time. Occasionally closed sessions are scheduled to discuss confidential personnel, negotiations or property matters.

10.1 Board Members were asked by Vice President McFarland if there were any topics they would like considered for future study by a Board subcommittee. There were no requests.

10.2 Announcements from Superintendent Sharrow
We were asked by local foundations to submit the 503C application on behalf of the proposed Dow High event center committee, which we have completed. Throughout this process, the MPS position has been that while the new Dow High event center would be a great facility for our district, it is not the district’s highest priority.

Bond and capital improvement projects are currently underway at 5-6 different MPS sites. The spring rain has not helped with the Adams new addition site, but work is progressing. The Adams building has been emptied, demo has taken place and is ready for renovation to begin.

The House of Representatives released their proposed budget last week. We will see where the 2019-20 State budget ends up as the three vastly different State budget proposals (Governor, Senate, House) are considered.

In-house ALICE training has taken place for two internal trainers from each MPS building. It is our plan that all MPS staff receive ALICE training from our internal trainers during the 2019-20 school year.

CrisisGo is moving along. Buildings have been doing practice drills using the software. CrisisGo is a powerful tool and has more features than we are currently utilizing. MPS will investigate the other features and see which we may be able to utilize in the future.

Digital radios are in and working well with the exception of a couple of “dead spots” in the district. May have to purchase repeater(s) to take care of this issue.

As we continue our work with Restorative Practices and look at end-of-year suspension discipline data, we are working with our staffs to develop strategies to reduce discipline issues and develop alternative strategies to out-of-school suspensions. The PATHS program has been a great program in this area.

The Michigan Department of Education has released the cut scores for the State-wide 3rd grade reading retention initiative—Read by Grade 3. Early analysis of the information would indicate very few MPS students district-wide would require retention; however, a group would require reading interventions.

11. **ADJOURNMENT**
Fredell/Lauderbach moved to close the meeting at 7:59 p.m.

President: Pam Singer
Treasurer: Mary Fredell

Approved by the Board of Education on:

C. Young June 24, 2019