

MINUTES OF SPECIAL SCHOOL BOARD MEETING
MANCHESTER COMMUNITY SCHOOLS
June 3, 2020

The Manchester Community Schools' Board of Trustees met at MCS Administration Office and via virtual meeting on Wednesday June 3, 2020 at 6:00 p.m.

Board Members were present or absent as follows:

PRESENT: Mrs. Ruth Ayres, Mr. David Terflinger, Mr. Brice Bedke , Mr. Michael Hensley, Mr. Raju Shah, Mr. Rick Espeset and Mr. Steve Flack

ABSENT: None

Also in Attendance: Dr. Teresa Gremaux, Superintendent; Mr. Jeremy Markham, MCS Business Manager and Mr. Mark Frantz, MCS Attorney

1. CALL TO ORDER

Mrs. Ayres, School Board President, called the meeting of the Manchester Community Schools' Board of Trustees to order at 6:00 p.m. Mrs. Ayres led those in attendance in reciting the Pledge of Allegiance.

1.2 Roll Call

1.3 Emergency Additions/Deletions

4.1 Deletion of Financial Savings Plan

2. PRESENTATION

2.1 Financial State of Manchester Community Schools

Mr. Markham gave a presentation over the financial state of the school corporation. Dr. Gremaux said this will be an annual meeting that will be held every spring. Mr. Markham recapped the 2019-2020 budget. Mr. Markham also spoke about the Cash Balance as of May 31, 2020. Mr. Markham reviewed the Average Monthly Expenditures. Mr. Markham reviewed the Financial Shortfalls of MCS. Mr. Markham said that enrollment numbers have declined over the last two years. They are unsure about what the Covid-19 repercussions will be. He also reviewed the State Funding Impacts. Mr. Markham stated that two weeks ago Governor Holcomb instructed all state agencies to start cutting fifteen percent from their budgets. Mr. Markham said they are trying to gather all the information they can to make informed decisions. Mr. Markham presented the Enrollment Decline from 2013-2020. He stated that from September 2018 to September 2020 we have lost students which in turn causes us to lose funding. We had a loss of 113 students over those two years which is a loss of funding of \$683,311.00. One year loss is \$399,099.00 with a loss of 66 students. Mr. Markham then spoke about the MCS Parent Survey that was sent out. 60% of parents said they wanted their students to return to traditional school. There was 21% that said they would like hybrid/online schooling. There was about 15% that wanted strictly online. This survey also allowed for parents to make comments. Mr. Markham reviewed the Potential Funding Impact Based on the Survey. This showed that the school could potentially lose \$822,657.00. Mr. Markham then reviewed the Total Funding Impact

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which could be 1.5 million dollars. Mr. Markham spoke about some Cost Saving/Revenue Generating Measures Implemented in 2019-2020. Mr. Markham spoke about the considerations for cost reduction. He spoke about consolidation of resources. MES would house grades PK-5 which is approximately 640 students. MJH would house 6th and 7th grade which is approximately 245 students and MJSHS would house grades 8-12 which is approximately 609 students. They would consider repurposing MIS. Nothing has been decided, Mr. Markham said. There are multiple ideas out there for repurposing that facility. This is based on an enrollment of 1459. Mr. Markham then explained what the considerations for cost reduction look like. He started with not replacing positions that are currently open. He stated that saving in other areas such as utilities, fuel, transportation costs, etc. is possible. If we don't use MIS as an educational source we can save \$286,000.00. Mr. Markham stated that we would eliminate positions that are not needed due to combining services. There is also a Reduction in Force savings; we would be looking at a savings of \$1,552,900.00. Mr. Markham stated that online registration will open July 6, 2020. Mr. Markham stated they value any staff and community input on this.

3. HEARING OF PATRONS

Mrs. Vogel from the MTA spoke. She said that MTA has been asking since January about the financial status of MCS. She said they were told that there would be no anticipated changes to buildings or staff. Each month they were told there would be none. When they had a discussion in May they were told of a major dollar amount which equated to major changes. MTA has not had time to discuss these changes. Mrs. Slavkin spoke for the MTA. She said they don't feel that these measures need to be this extreme. She said they are hearing that families will be sending students back into classrooms. They don't feel like an online school that isn't funded 100% is a good idea. Mr. Huber, MTA President spoke and said he has been at almost every board meeting for the last two years. He said he is disappointed and angry and scared for the teachers. He said that MTA has done its best to be an active and helpful participant. Mr. Huber said they did receive information but when they asked and requested to engage in conversation with the administration they did not get any responses and feel that they have not met their obligations and have not been forthright in their dealings with MTA. He said MTA has tried to be transparent. When they asked about the financial plan during the meeting on May 28th they were told the administration was not ready to share that. When they pressed for any details only non-specific answers were given. They were aware that closing MIS was being considered from conversations with others. Mr. Huber said the administration did not say that closing the building was something that was under serious consideration. They were told that the MTA and the school board both wanted to see the plan and that put the administration between a rock and a hard place. They asked Dr. Gremaux to not allow this presentation and the board to vote on this at the same meeting. Mr. Huber thanked her for making that change. Mr. Huber said that they discovered that there was an advanced plan presented to the board and also through several sources found out there was a list of teachers being considered for a RIF. Based on the names they have at this time the administration is not following the mutually agreed to and discussed board approved RIF policy. They feel like the administration is making decisions based on bad data. Mr. Huber said MTA has been backed into a corner and they are trying to do the right and legal thing. Mr. Huber said they have already lost students this week due to parents hearing

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about the closing of MIS. He said cutting this many teachers will be a catastrophic loss for the district. Mr. Huber stated that no other districts are making these cuts. He asked the board for more time to consider this and wants to work with the administration. There were several other comments from the public. Dr. Gremaux said she will work with MTA at their convenience. Mr. Terflinger asked to move the board meeting to June 23rd. This will give time to the administration and the MTA to try to figure some things out. Dr. Gremaux said she was fine with that and Mr. Huber said he would appreciate the extra time. Mrs. Ayres is concerned and said she knows jobs are open now and very few are open in July. She would want to know tonight if she was a teacher that might get a RIF notice. Mr. Huber stated that the MTA wants to fight for the teaching positions but understands Mrs. Ayres point also. Mr. Huber asked if the board will need to meet again. Dr. Gremaux said they will just need to meet at the regular board meeting. Mr. Frantz said they must give 48 hours notice for a meeting. Mr. Shah said the longer we wait we may have more teachers worried and looking for new jobs. Dr. Gremaux said she is willing to meet any day that works for the MTA. Dr. Gremaux suggested the week of the 15th. Mr. Huber said that was better than 6 days. Mr. Flack asked when the MTA was officially told about this. Mr. Huber said they got the information last Thursday and it was just the overview. Mr. Flack asked if he knew about it last Thursday why wasn't there a call to Dr. Gremaux or Mr. Markham. Mrs. Vogel said they did make the calls. Mr. Huber is saying these discussions should have been occurring before this. Mr. Flack said he understood that but they need to make a decision as to how much time they need. He said the 16th would allow more time to have discussions. He stated that the MTA is playing catch up. Mr. Flack said Dr. Gremaux or Mr. Markham needs to have that decision from the MTA soon.

4. RECOMMENDATION FOR APPROVAL

4.1 Financial Savings Plan

5. SUPERINTENDENT/BOARD MEMBER COMMENTS

Mr. Flack asked about our busing expenses. Mr. Markham told him last year we spent \$750,000.00. Mr. Flack asked if we are consolidating bus routes. Mr. Markham said we will need to see what the registration numbers look like in July. Mr. Espeset asked when the decision needs to be made regarding RIFs. Dr. Gremaux stated that we have to send out RIF notices by the end of June so the decision needs to be made at the next board meeting. Dr. Gremaux stated that she values all the staff but they also need to be fiscally responsible. Mr. Terflinger asked why we are waiting until July for online registration. Dr. Gremaux stated that there are still pieces we have to put together before we can begin and Mr. Miller is working on that. She stated the system is just not ready to go yet with forms that need to be loaded and decisions to be made. Mr. Espeset asked if there are any drawbacks to adding students to MES. Mr. Markham said there is plenty of room for the extra students and we will still be able to educate the way we need to. Mr. Terflinger asked about moving 4th and 5th to MES and if Title 1 money will increase. Dr. Gremaux said it will not increase and is based on our free and reduced population of our district. She stated what we do with that money is up to us. Mr. Terflinger said he has heard numerous comments from the community that people did not get the survey. Mr. Self said the survey was sent to every family in the school system. Mr. Bedke asked what was the return on the survey. Dr. Gremaux said it was almost 50%. Mr. Bedke said that was very good considering most surveys you only receive 25-30% return if you are lucky. Dr. Gremaux

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thinks that most people will see what happens with the governor before they register their kids. Mr. Espeset asked what happens if we don't RIF before July 1st. Mr. Markham stated that the school will be obligated to pay the employee. Mr. Flack asked about the online school. Who will be the go to person or the director? Dr. Gremaux stated that as of now it is Mrs. Gnagy and Mrs. Korus. They will be putting this together and will be doing a presentation at a later date. Dr. Gremaux stated that this is something they have been looking into since last fall, before Covid even hit. Dr. Gremaux is hoping to have onsite and online teachers. There will be no extra costs unless we pull in extra students outside of MCS. Dr. Gremaux said we will market to the people in our area first before we market outside the area. Mr. Flack asked if Dr. Gremaux is confident that we can get this all done in eight weeks. Dr. Gremaux said she is confident in the staff that this can be done and done right. Mr. Hensley asked if any teachers teach full time online. Dr. Gremaux said not to her knowledge. Dr. Gremaux spoke about the hybrid option. The kids would have a set schedule for whatever class they wanted to be involved in such as Art, Robotics or other activities. Dr. Gremaux stated we need to provide options for families as far as education goes. Mr. Flack asked if the staff feels comfortable teaching online and have they been surveyed or trained? Dr. Gremaux said they are in the planning stages and have not sent out a survey to the teachers yet. She did say they need training and we need to evolve if we intend to keep our employees. Mr. Terflinger asked if the Administrators have any training. He asked why there is such a rush to do this. Dr. Gremaux said we have 36% of our population that said they want online schooling and if we don't provide that we stand to lose 36% of the students. Mr. Hensley suggested starting out Hybrid and building an online program. Mr. Hensley is worried about the kids' social skills. Mr. Terflinger asked if teachers will be teaching both in class and online. Dr. Gremaux said that is not the plan. Mr. Espeset asked about putting two more grades in MES and classrooms, lunch, specials, etc. Mr. Markham said that they have started committee work regarding re-entry to school. He said Mrs. Landes has been thinking about different ways to feed the kids from no meals in the lunchroom to students eating in their classrooms. Mr. Markham said the initial plan is to bring meals to the 6th and 7th grade and they will not be walking between buildings. All the students will have the same access to activities and specials even with the extra grades in the buildings. Mrs. Ayres said that the surveys are showing the same thing across the nation. Mrs. Ayres stated that the enrollment decline is a known fact. Mrs. Ayres said it would be fair to say that we need to cut a million dollars just because of the enrollment decline. The Covid has added to all this. We are trying to be proactive and not reactive and we have a responsibility to do what we need to do what is best for MCS. Mr. Markham said it is his recommendation that we cut close to a million dollars if not more. There will be no extra resources to help with funding Dr. Gremaux said. Mr. Terflinger wants to move the RIF notice date back. Dr. Gremaux said the sooner this happens the better. This is why the deadline is May 1 thru July 1. Mr. Flack said that even if we survey again we will still need to make changes due to decreasing enrollment. If we have more kids saying they are coming back we might not need to RIF as many staff. Mr. Markham stated that to save \$927,000.00 we would still have to move grades, not replace open positions and repurpose MIS. Mrs. Ayres commended the administration for their preparation and trying to be financially responsible. Mrs. Ayres also said that if our enrollment goes up after registration we can bring back teachers. Mr. Markham said yes. Dr. Gremaux stated that many schools across the state

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are looking at online options so we need to try to keep as many kids as possible. Mr. Terflinger asked when salary contracts are up. Mr. Markham said June 30. Mr. Terflinger asked if we have looked at making any cuts on that side and Mr. Markham said we have looked at making cuts across the board. Mr. Hensley asked if any of the county superintendents have looked at transportation consolidation. Dr. Gremaux said no they have not discussed that. Mr. Bedke asked if this proposal would allow us to build up our rainy day fund. Mr. Markham said they would like to be able to do that eventually. Dr. Gremaux thanked Mr. Markham for all his time and research for this presentation. Dr. Gremaux stated that this is the last thing we want to do and are hopeful the numbers will change.

6. ADJOURNMENT


With no further business, Mrs. Ayres, School Board President, adjourned the Manchester Community Schools' Board of Trustees Board Meeting at 8:40 pm.



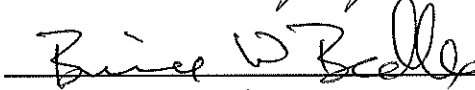
Ruth Ayres, School Board President



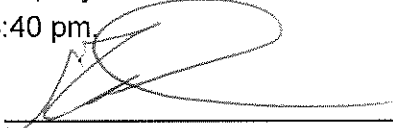
Steve Flack, Vice President



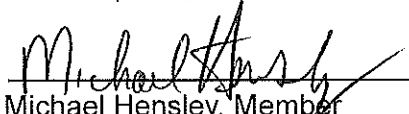
David Terflinger, Secretary



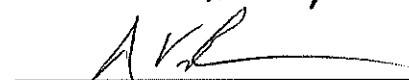
Brice Bedke, Member



Rick Espeset, Member



Michael Hensley, Member



Raju Shah, Member

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