

In Session with the “Oriole” Superintendent

By, Mark D. Rosekrans, Superintendent of Charlotte Public Schools

Owens Brockway Update

On Tuesday, October 6, 2015, our school district received notice from our attorney that the contract damages from the City of Charlotte’s favorable decision in the Owens Brockway ruling will not be viewed as tax monies. Thus, the year long wait has ended, and the school district is now able to have access to the contract damages without penalty from the State. This notification decision from the State of Michigan Treasury Department is due to their acknowledgement of the State Attorney General’s disposition of the court case, in which the revenue was for contractual damages, not taxes.

As a reminder, our school district was one of several public organizations to receive a share of these contract damages. Each public organization has had discretion on how to use the revenue.

Our Board of Education, following the advice of the school district’s attorney, did dedicate approximately \$480,000 of the \$1.3 million settlement to pay down debt associated with the previous capital projects (past bond proposals). The Board felt strongly about following the advice, but even more importantly, they wanted to be good stewards of public resources by using a portion of settlement revenue to reduce the long term debt of the District. I commend the Board for taking this approach and for their serious focus on financial responsibilities for our school district and community.

Since we have been waiting for almost a year to ensure the use of the remaining settlement was “free and clear”, our Board has had very little conversation on how to use or expend the revenue. The Board simply has been in a mode of wait and see what happens.

Now that we have notification from the state that we are actually afforded the use of the funds, our Board of Education on Monday, October 12, took formal action to place the balance of the contract damages (approximately \$830,000) in a committed and restricted account. In placing the funds into a restricted and committed account, the Board of Education, with involvement of district administration, will take whatever time necessary to consider all concepts on how to dedicate the funds for the betterment of the school district.

Improvement considerations, will no doubt take many shapes and forms. They may include facility enhancements, curricular advancements or technological updates; just to name a few. The Board from their own conversation on October 12, will be taking ample time to evaluate projects or programming concepts. The Board wants to be extremely thoughtful, deliberate and strategic. The Board feels there is absolutely no rush to do anything until a purposeful plan is in place; one that has evaluated long term positive outcomes for our district and students.

Go Orioles! Oriole Pride!