

MADISON DISTRICT PUBLIC SCHOOLS

Special Board of Education Meeting

Truth in Taxation, Proposed 2012-2013 Budget & State Aid Note

Monday, June 18, 2012 – 7:00 PM

Minutes of the Special Meeting of the Board of Education of the Madison District Schools, Madison Heights, and County of Oakland, Michigan held at Wilkinson Middle School, 26524 John R Road, Madison Heights, Michigan.

Special Meeting called to order at 7:07 PM, Mr. Mick Hohner, presiding, in Mr. Morrison's absence.

Mr. Hohner led the Pledge of Allegiance.

Roll Call

Present: Hohner, Holder, Melchert, Pittman, Marr @ 7:20PM

Absent: Morrison, Rose (with notice)

PUBLIC HEARING MEETING

Truth in Taxation, Proposed 2012-2013 Budget & State Aid Note

The Public Hearing is now open at 7:07 PM. Ms. Schurman will present the budget and tax levy information that will be recommended for action tonight.

Ms. Schurman discussed Truth in Taxation – L4029, 2011-12 Budget Amendment, 2012-13 Budget Resolution, and the State Aid Note with the Board of Education.

Truth in Taxation – L4029

Each school district must hold a public hearing on its budget before it may be adopted by the Board of Education.

In 2012, the District will levy 7.76 mills on all property for purposes of Debt Retirement (no change from 2011). This is in addition to the 18 mills on Non-Homestead property for operating purposes. The STATE continues to levy the 6 mill "Education Tax" on all property for deposit into the State-wide School Aid Fund.

The District will levy a total of 25.76 mills in 2011. 7.76 Debt Retirement, 18.00 Non-Homestead, 25.76 total mills to Levy.

Homestead taxpayers will pay a total of 13.76 mills for K-12 education; 7.76 directly to Madison Schools for debt retirement and 6 mills directly to the State for the State levied.

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Truth in Taxation & Proposed Budget Hearing & State Aid Note

Non-Homestead taxpayers will pay a total of 25.76 mills for K-12 education; 25.76 directly to Madison Schools.

Moved by Holder, supported by Hohner that the Board of Education adopts the 2012 Tax Levy as presented.

Motion carried: 4-0

Absent: Morrison, Rose

Ayes: Hohner, Holder, Melchert, Pittman

Late: Marr (7:20 PM)

2012-2013 General Appropriations Resolution

Resolved, that this resolution shall be the general appropriations of Madison District Public Schools for the 2012-13 fiscal year; a resolution to make appropriations; to provide for the expenditure of the appropriations, and to provide for the disposition of all revenues received by the Madison District Public Schools. Amount available for appropriation: \$14,454,866.

Be it further resolved, that \$13,156,778 of the total available to appropriate in the General Fund is hereby appropriated.

Projected fund balance at 6/30/2013: \$1,298,088.

Moved by Marr, supported by Holder that the Board of Education approves the district's 2012-13 Budget: General Operating, Debt Service, Food Service.

Motion carried: 5-0

Ayes: Hohner, Holder, Marr, Melchert, Pittman

Nays: None

Absent: Morrison, Rose

2011-2012 General Appropriations Resolution

Resolved, that this resolution shall be the general appropriations of Madison District Public Schools for the 2011-12 fiscal year; a resolution to make appropriations; to provide for the expenditure of the appropriations, and to provide for the disposition of all revenues received by the Madison District Public Schools. Amount available for appropriation: \$13,907,298.

Be it further resolved, that \$11,817,772 of the total available to appropriate in the General Fund is hereby appropriated.

Projected fund balance at 6/30/2012: \$2,089,526.

Moved by Holder, supported by Marr that the Board of Education approves the district's 2011-12 General Appropriations Resolution.

Motion carried: 5-0

Ayes: Hohner, Holder, Marr, Melchert, Pittman

Nays: None

Absent: Morrison, Rose

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Truth in Taxation & Proposed Budget Hearing & State Aid Note

Issuance of State Aid Notes in Anticipation of State School Aid

The District is required to borrow money in order to maintain monthly cash flow. The best opportunity for the District to borrow money is to pool with other school districts in the state through the school aid note bond issuance. The application for the State Aid Note Loan Program is Friday, June 29th. Pricing will occur on Tuesday, July 31, 2012 and the note proceeds will be wired to the school District on Monday, August 20, 2012. The District will be reducing its borrowing this year by \$1,455,000, for a total borrowing of \$1,600,000. The District will also utilize set-aside payments for half the note, with the other half with no set-asides. With the reduced borrowing and the utilization of set-aside payments, the District should save money on the cost of borrowing. The final savings will be determined after the pricing occurs.

Moved by Holder, supported by Hohner that the Board of Education accepts the borrowing for the State Aid Note borrowing for the 2012/2013 fiscal year of not to exceed \$1,600,000.

Motion carried: 5-0

Ayes: Hohner, Holder, Marr, Melchert, Pittman

Nays: None

Absent: Morrison, Rose

Budget Hearing officially closed at 8:10 PM.

SPECIAL MEETING AGENDA

Board Action Item:

Wire Authorization

On occasion, the Business Office is required to make wire transfers to vendors. Currently, the authorized individuals to make wire transfers no longer work at the District. This authorization allows the Business Manager and Payroll Coordinator the ability to make such transfers.

Moved by Holder, supported by Marr that the Board of Education approves the authorization for the Business Manager and Payroll Coordinator to make wire transfers and removes authorization from prior District employees.

Motion carried: 5-0

Ayes: Hohner, Holder, Marr, Melchert, Pittman

Nays: None

Absent: Morrison, Rose

QZAB Authorization

RESOLUTION:

Therefore, be it resolved, that the Madison District Public Schools Board of Education directs the Administration to proceed immediately with preparing and submitting a Qualified Zone Academy Bond (QZAB) application to the State of Michigan QZAB Program Office of Grants Coordination and School Support. The purpose of the QZAB funding will be to improve and support the continued use of Edison Elementary School and other facilities in an amount to be determined as the scope of work is finalized. Work at Edison may include: Boiler replacement or HVAC – Heating, Ventilation, Air Conditioning and necessary modifications to facilitate the improvement and other life safety and general code compliance items identified in the facility assessment as prepared by PARTNERS in Architecture and E Gilbert and Sons.

Prepared by: PARTNERS in Architecture, PLC

Projected Schedule for Obtaining a Qualified Zone Academy Bond (QZAB)	
June 18	Board Resolution to assemble QZAB Application & Associated Materials for Submission to the State of MI.
June 19-22	Confirm District Meets Eligibility Requirement with Minimum of 35% Free and Reduced Lunch. Identify Available Funding Limit to Support QZAB; Determine \$ Value of Possible QZAB. Define Potential Projects & Associated Costs to be Funded with QZAB; Summarize Proposed Work Scope in List Format, Per Building. Evaluate Potential “Partner” to Meet Business Contribution Requirement.
June 29	Secure “Partner” Contribution Commitment; Receive Written Confirmation for Inclusion with Application.
July 2-6	Assemble QZAB Program Application & Submit to State.
July 24	Receive Written Confirmation of Acceptance From State.
July 25	Begin Bond Sale Process (Bond Counsel, Financial Advisor, Underwriter)
Oct 15	Anticipated QZAB Funding Received.
Oct 16	Reimburse General Fund for Edison Boiler Project.

Moved by Pittman, supported by Marr that the Board of Education approves the Qualified Zone Academy Bond (QZAB) application to the State of Michigan QZAB Program Office of Grants Coordination and School Support.

Motion carried: 4-1

Ayes: Hohner, Holder, Marr, Pittman

Nays: Melchert

Absent: Morrison, Rose

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Walk-in Freezer & Cooler at the High School

The Madison High School Freezer and Cooler are in need of replacement. Over the last year the District Food Service has had to incur costs for the continued repair of these units. They also are not adequate for the storage space that is needed. As the Food Service Fund has an adequate fund balance to replace this equipment, the Food Service Director has solicited the bids for new units. The new units will be installed during this summer. Gold Star Products is the bid that is being recommended for award. This company was the one that did Wilkinson's walk in freezer and refrigerator and were great to work with. They are very efficient in their installation and stand behind their work.

Moved by Marr, supported by Holder that the Board of Education approves the bid for Gold Star Products to install the new Freezer and Cooler at Madison High School. Amount of \$34,540.55. They were the lowest bidder as well as a very reputable company.

Motion carried: 5-0

Ayes: Hohner, Holder, Marr, Melchert, Pittman

Nays: None

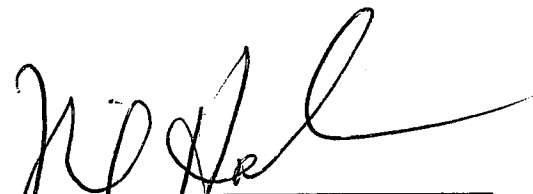
Absent: Morrison, Rose

Public Comments – None at this time.

Adjournment : Board of Education meeting was adjourned at 8:29PM.



President's Signature



Secretary Signature