

MADISON DISTRICT PUBLIC SCHOOLS

Special Board of Education Meeting

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

Monday, June 17, 2013 – 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 7:00 PM, Mr. Morrison, presiding.

Mr. Brecht led the Pledge of Allegiance.

Roll Call

Present: Ball, Barndollar, Brecht, Hohner, Marr, Morrison, Pittman

Absent: None

PUBLIC HEARING MEETING

3A – Ratification Resolution for the Bond Issue – Mr. Matt Hiser; Thrun Law Firm
By resolution adopted on May 14, 2013 (the “Bond Resolution”), Madison District Public Schools, Oakland County, Michigan (the “Issuer”), authorized the issuance of not to exceed \$11,400,000, 2013 School building and Site Bonds (the “Bonds”).

The offer of the Underwriter as set forth in the bond purchase agreement dated June 13, 2013 (the “Bond Purchase Agreement”) and the terms and conditions set forth therein, presented to the Superintendent to purchase the Bonds at a purchase price of \$11,304,694.00, which is the par value of the Bonds, plus an original issue premium of \$137,989.75, less the Underwriter’s discount of \$57,000 and less the original issue discount of \$176,295.75, is hereby ratified and affirmed. The bonds shall be issued in the aggregate principal sum of \$11,400,000, designated to 2013 School Building and Site bonds (General Obligation – Unlimited Tax).

Moved by Brecht, supported by Hohner that the Board of Education accepts the ratification for the Bond Issue as presented. Huntington National Bank

Motion carried: 7-0

Ayes: Brecht, Hohner, Marr, Morrison, Pittman, Ball, Barndollar

Nays: None

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

The Public Hearing is now open at 7:20 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, 2012-13 Budget Amendment, 2013-14 Budget Resolution, and the State Aid Note with the Board of Education.

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3B – 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.

Moved by Marr, supported by Brecht that the Board of Education adopts the 2013 Tax Levy as presented.

Motion carried: 7-0

Ayes: Hohner, Marr, Morrison, Pittman, Ball, Barndollar, Brecht

Nays: None

3C – 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: \$13,156,777

Be it further resolved, that \$13,109,284 of the total available to appropriate in the General Fund is hereby appropriated.

Projected fund balance at 6/30/2013: \$1,320,637.

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

Motion carried: 7-0

Ayes: Marr, Morrison, Pittman, Ball, Barndollar, Brecht, Hohner

Nays: None

3D – 2013-2014 General Appropriations Resolution

Resolved, that this resolution shall be the general appropriations of Madison District Public Schools for the 2013-14 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: \$12,316,156

Be it further resolved, that \$13,325,181 of the total available to appropriate in the General Fund is hereby appropriated.

Projected fund balance at 6/30/2014: \$365,933.

Moved by Barndollar, supported by Ball that the Board of Education approves the district's 2013-14 General Appropriations Resolution.

Motion carried: 7-0

Ayes: Morrison, Pittman, Ball, Barndollar, Brecht, Hohner, Marr

Nays: None

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3E – Cash Flow Borrowing Resolution

**RESOLUTION AUTHORIZING ISSUANCE OF NOTES IN ANTICIPATION OF
STATE SCHOOL AID (AUGUST 2013 BORROWING THROUGH THE
MICHIGAN FINANCE AUTHORITY)**

The District is required to borrow money in order to maintain monthly cash flow.

1. Estimated 2013/2014 State Aid allocated or to be allocated for fiscal year ending June 30, 2014: \$8,688,196 (total amount estimated to be received from October 1, 2013 through August 31, 2014).
2. Amount of borrowing not to exceed: \$935,000.
3. Principal amount of Notes, bonds or other obligations subject to Section 148 of the Internal Revenue Code of 1986, as amended, relating to arbitrage and the rebate thereof, including but not limited to federally tax-exempt obligations, Qualified School Construction Bonds, and Qualified Zone Academy bonds, not including this borrowing, issued or to be issued during the 2013 calendar year: \$11,400,000 (include plans for voted or non-voted bonds, refunding bonds, additional state aid notes, tax anticipation notes, installment purchase agreements, and lease-purchase agreements).
4. The Notes shall be dated August 20, 2013 and shall mature on August 20, 2014, or such other date as determined by any Authorized Officer.
5. Purchase price: Not less than 97% of the principal amount of the Notes.
6. Five percent (5%) of estimated fiscal year 2013/2014 operating expenses: \$653,877.

Moved by Brecht, supported by Hohner that the Board of Education accepts the borrowing for the State Aid Note borrowing for the 2013/2014 fiscal year of not to exceed \$935,000.

Motion carried: 7-0

Ayes: Pittman, Ball, Barndollar, Brecht, Hohner, Marr, Morrison

Nays: None

Budget Hearing officially closed at 8:11 PM.

Board President called to move Agenda Item #4 – Executive Closed Session

Moved by Marr, supported by Pittman for the Board of Education to go into Executive Closed Session for the purpose of periodic personnel contract which is consistent with the Open Meeting Act.

Motion carried: 7-0

Open meeting reconvened at 9:10 PM.

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SPECIAL MEETING AGENDA

Board Action Item:

3F – Landscape Bids

Discussion for District Lawn Services continued. Great Lakes, United Lawnscape, Christopher's Landscaping, and Landscape Services. Pricing on all bids breakdown good for 60 days. Board has advised Administration to have all vendors cut campus and then the Board of Education also allows our business manager to review the work and make recommendation back to the board by telephone consensus.

3G – Clawson Transportation Contract

Discussion on Clawson Transportation Contract. Board asked for cost analysis if in house transportation would take place. Clawson Contract questioning for one year, magnets of district name on buses.

3G – Tabled

Moved by Ball, supported by Marr for the Board of Education to Table Transportation Contract. Next meeting Monday, June 24, 2013.

Motion carried: 7-0

5 – Adjournment

Moved by Pittman, supported by Barndollar for the Board of Education to adjourn the Special Board of Education meeting of June 17, 2013.

Motion carried: 7-0

Board of Education meeting was adjourned at 9:45 PM.



President's Signature



Secretary Signature