

MINUTES

Regular Board Meeting of November 11, 2015

1. **Call to Order.** President Loy called to order the meeting of the Livingston Educational Service Agency (LESA) Board of Education at 6:00 p.m. on Wednesday, November 11, 2015, at the LESA Education Center, 1425 W. Grand River, Howell, Michigan.

A. Pledge of Allegiance

B. Roll Call

Present were:

Board Members: President Loy,
Vice President Hill,
Treasurer Kaiser,
Secretary Fryer,
Trustee Cortez

LESA Staff: Dawn Bentley, Dan Danosky, Mike Hubert, Tim
Jackson, Naomi Norman, Judy Paulsen, Sean LaRosa

Guests: None

C. Approval of Agenda

It was moved by Fryer and seconded by Kaiser to approve the agenda as presented.

A roll call vote was taken. Fryer voted YES, Kaiser voted YES, Cortez voted YES, Hill voted YES, and Loy voted YES.

The motion carried unanimously.

2. **Call to the Public/Correspondence**

The President asked if anyone wished to speak on any items or had received correspondence.

There was no public comment or correspondence.

3. Adoption of Consent Agenda.

A. Superintendent's Recommendations

031-015-016

That the Board approve entering into an Interagency Cash Transfer Agreement with Michigan Rehabilitation Services (MRS), Ann Arbor, MI to enhance and improve the provision of vocational rehabilitation services to individuals who meet MRS eligibility criteria, as set forth in 34 CFR 361.42(a)(1) In the amount of \$419,570.37 for the period October 1, 2015 through September 30, 2016.

Funding Source:

LESA \$113,284 (Act 18 Funds)

Michigan Rehabilitation Services \$306,286.37

Total: \$419,570.37

B. Approval: Minutes

The following minutes were presented for approval:

- Regular Board Meeting of October 14, 2015

C. Approval: Financial Information

The following financials were presented for approval:

- Check Register (September)
- Purchase Card Transactions (September)
- Financial Status Report (October)

D. Approval: Personnel Board Report

The following personnel report was presented for approval:

- Personnel Report Summary (October 31, 2015)

It was moved by Kaiser and seconded by Cortez to approve the Consent Agenda as presented.

A roll call vote was taken. Kaiser voted YES, Cortez voted YES, Fryer voted YES, Hill voted YES, and Loy voted YES.

The motion carried unanimously.

4. Special Presentations

There was no presentation at this time.

5. Action/Discussion Items.

A. First Impression Print and Marketing Disclosure Statement

First Impression Print and Marketing is owned by Board Member, Don Cortez. For many years, First Impression has performed many small jobs for different departments within the Agency. The Agency's attorney reviewed the business relationship in June of 2013 in light of conflict of interest law MCL 380.634(5). The attorney indicated that a substantial conflict of interest is rather vaguely defined but he found that no such conflict is likely to exist based on the present case. However, at that time he recommended that appropriate disclosures be made and that they be reflected in the meeting minutes. The disclosure statement noted in the recommended motion was approved in June of 2013 for the 2013-2014 fiscal year, and is now recommended as disclosure for the 2014-2015 fiscal year.

In accordance with the disclosure statement the purchase of \$1,275.76 by the Early On department for the annual purchase of the home visit parent contract form (3,000 qty) is to be approved by the Board. This is the same quantity and cost as was incurred in 2013-2014.

It was moved by Hill and seconded by Fryer that the Board of Education approve the following disclosure statement and that it be reflected in the minutes of this meeting:

First Impression Print and Marketing is owned by Don Cortez, who is a member of the LESA Board of Education. LESA may continue to do business with First Impression Print and Marketing, as it has for many years pre-dating Don's service on the Board, with the following conditions:

1. This disclosure statement will be voted upon annually by the Board.
2. Don Cortez cannot vote on this statement of disclosure.
3. At least 2/3 of the full Board (4 members) must approve it to be considered valid.
4. This statement covers small contracts up to \$1,000.
5. Any contracts over \$1,000 would need individual board approval with 2/3 of the Board approving (4 members with Don not voting). Meeting minutes would need to reflect what was purchased, that Don owns First Impression Print and Marketing and the results of the vote.

The motion carried 4-1, with Trustee Cortez abstaining.

B. Summer Tax Resolutions

In accordance with the Revised School Code, the Board must annually adopt a resolution to acknowledge its decision to impose summer taxes on an ongoing basis.

The Agency is required to forward a copy of the annual resolution and the resolution passed on December 14, 2005 to each city and/or township in which the Agency is located. The Agency must then request each city and/or township in which it is located to agree to collect the summer school property tax levy. Negotiations for the reasonable expenses for collection of the summer school property tax levy then follow.

It was moved by Hill and seconded by Kaiser that the Board approve the annual summer tax resolution as presented and authorize the Superintendent to negotiate the reasonable expenses for collection of the summer property tax levy.

A roll call vote was taken. Hill voted YES, Kaiser voted YES, Cortez voted YES, Fryer voted YES, and Loy voted YES.

The motion carried unanimously.

C. IRS Section 125 Flexible Benefits Plan Revisions

The Agency has been working to update its IRS Section 125 Flexible Benefits Plan and has worked with our benefits attorney, Janet Lanyon, to finalize the Plan changes.

The Plan Document is a separate written plan maintained by the Agency for employees that meet the specific requirements of and regulations of Section 125 of the Internal Revenue Code. It provides participants an opportunity to receive certain benefits on a pretax basis. Participants in a cafeteria plan must be permitted to choose among at least one taxable benefit (such as cash) and one qualified benefit.

A qualified benefit is a benefit that does not defer compensation and is excludable from an employee's gross income under a specific provision of the IRS Code, without being subject to the principles of constructive receipt. Qualified benefits include the following:

- 1 . Accident and health benefits
- 2 . Dependent care assistance
- 3 . Group-term life insurance coverage
- 4 . Health savings accounts, including distributions to pay long-term care services

The Plan Document specifically describes all benefits and establishes rules for eligibility and elections. The changes are legal lined within the plan document.

It was moved by Hill and seconded by Cortez that the Board approve the adopting resolution for the Livingston Educational Service Agency Flexible Benefits Plan as presented.

The motion carried unanimously.

D. Policy Updates – First Reading

NEOLA provides, under contract, semi-annual updates to board policy that recommend changes as required by law or practice. Deputy Superintendent Mike Hubert and Superintendent Dan Danosky met with NEOLA representative Dick Halik to review those updates and are presenting the recommended adoptions and amendments for consideration of the Board of Education. Although not required as part of the Agency By-laws, the recommendations were presented for a “first reading” because of the breadth of changes in the recommendations. As part of the December agenda, the Board will be asked to approve the updates presented in November.

No action necessary. First Reading only.

E. 2015 School Building and Site Bonds

The Agency is in the design phase of a construction project to demolish two outdated wood school buildings and re-construct equivalent instructional space through an addition to the Pathway building and the Education Center. Six classrooms, a multi-purpose room, and three conference rooms will be added to the Pathway building for the Agency’s adult transition special education programs. One classroom will be added to the Education Center for secondary alternative and adult education programs with secondary use as Agency conference space to support professional development activities.

The total budget is approximately \$6 million with 50% being borrowed through the sale of bonds and 50% being paid with money from the Agency’s capital projects fund.

The tentative timeline for the sale of the bonds is as follows:

Action to be Taken	Responsible Party(s)	Date
Educational Service Agency adopts Authorizing Resolution for Bond	ESA	Nov 11, 15 (Wed)
Preliminary Official Statement sent to all parties for review	FA	Nov 11, 15 (Wed)
Financial Advisor to send out rating and insurance packages	FA	Nov 11, 15 (Wed)
Due diligence conference call to review Official Statement <u>TIME 1:30 P.M.</u>	All	Nov 20, 15 (Fri)
Rating call	FA / ESA	Nov 23, 15 (Mon)
Second draft Official Statement sent out for review	FA	Nov 24, 15 (Tue)
Publish Notice of Sale	BC	Dec 01, 15 (Tue)
Preliminary Official Statement printed	FA	Dec 01, 15 (Tue)
Rating and Insurance due	FA	Dec 04, 15 (Fri)
Bond Sale <u>TIME 11:30 A.M. EST</u>	All	Dec 09, 15 (Wed)
Award Bonds by a Regular Board Meeting	ESA	Dec 09, 15 (Wed)
Final Official Statement printed	FA	Dec 14, 15 (Mon)
Bond Counsel to prepare closing documents	BC	Dec 17, 15 (Thu)
Financial Advisor to circulate closing figures and instructions	FA	Dec 17, 15 (Thu)
Tentative bond delivery	All	Dec 22, 15 (Tue)
Bond Counsel to file Securities Report	BC	Dec 22, 15 (Tue)

Key:

- ESA = - Livingston Educational Service Agency
- BC = Bond Counsel- Thrun Law Firm, P.C.
- FA = Financial Advisor- Public Financial Management, Inc.

It was moved by Hill and seconded by Cortez that the Board of Education approve the resolution authorizing issuance of bonds for the Livingston Educational Service Agency as presented.

A roll call vote was taken. Hill voted YES, Cortez voted YES, Fryer voted YES, Kaiser voted YES, and Loy voted YES.

The motion carried unanimously.

6. Reports

A. Staff Reports

Updated the Board on progress toward LESA strategic plan goals.

B. Superintendent’s Report

Superintendent Danosky reported that Superintendent Greg Gray was recognized by MASA as Region 8 Superintendent of the Year.

Superintendent Danosky reported that the Headlee Restoration proposal passed by 63 votes.

7. Board Discussion

President Loy reported on the MASB Conference, which she recently attended.

8. Adjournment

President Loy declared the meeting adjourned at 7:00 p.m.

Respectfully submitted,

Harold E. Fryer
Secretary

HEF/jp

Personnel Report – October 31, 2015

Information Only Personnel Report Summary:

Employee Group	Budget	09/30/15	+	-	10/31/15	Current Vacancies
Supervisor/Administration	22.0	23.0	0.0	(0.0)	23.0	0.0
Classified	50.2	48.3	0.0	(0.0)	48.3	1.0
Early Childhood	87.5	78.0	3.5	(4.0)	77.5	4.5
LIPSA	145.0	144.3	0.0	(1.0)	143.3	1.7
Teacher Asst.	55.6	57.4	0.0	(1.0)	56.4	0.0
Specialized Transp.	79.0	69.0	2.0	(0.0)	71.0	0.0
Brighton RTC	32.0	30.0	0.0	(0.0)	30.0	2.0
Hartland RTC	43.0	40.0	0.0	(1.0)	39.0	4.0
Howell RTC	45.0	47.0	1.0	(1.0)	47.0	0.0
Pinckney RTC	23.0	22.0	0.0	(1.0)	21.0	2.0
Total	582.3	559.0	6.5	(9.0)	556.5	15.2

(Totals do not include substitutes)

Items for Board Action: *(Items noted in red are addendums to the original report)*

Administration				
New Positions	+	-	Other	Description

Classified				
New Positions	+	-	Other	Description

Early Childhood				
New Positions	+	-	Other	Description
		1.0		Erica Christenbery, 1.0 FTE, Program Assistant, resignation, effective 11/02/15
		1.0		Tylene Costello, 1.0 FTE, Program Assistant, resignation, effective 10/09/15
	1.0			Diane Fowkes, 1.0 FTE, Program Assistant, Level 2, Step 1, \$9.47/hourly, effective 11/09/15
		1.0		Michelle Jess, 1.0 FTE, Program Assistant, resignation, effective 09/29/15
	1.0			Michelle Kean, 1.0 FTE, Program Assistant, Level 1, Step 1, \$8.91/hourly, effective 10/19/15

		1.0		AnaMarie Malt, 1.0 FTE, Preschool Aide to Substitute Program Assistant, effective 10/27/15
	0.5			Nancy Rennie, 0.5 FTE, Early Childhood Specialist, Scale 1, Step 1, \$17.73/hourly, effective 10/12/15
	1.0			Michelle Toddy, 1.0 FTE, Lead Teacher, Level 16, Step 1, \$17.01/hourly, effective 10/19/15.

LIPSA				
New Positions	+	-	Other	Description
		1.0		Kim Battjes, 1.0 FTE, School Social Worker, resignation, effective 11/01/15

Teacher Assistants				
New Positions	+	-	Other	Description
		1.0		Kathi Chamberlain, 1.0 FTE, Teacher Assistant, retirement, effective 09/01/15
			1.0	Anne Gerrish, 1.0 FTE, Teacher Assistant, successful completion of probationary period, effective 10/16/15

Specialized Transportation				
New Positions	+	-	Other	Description
	1.0			Susan Corwin, 1.0 FTE, Specialized Bus Assistant, Step 1, \$11.00/hourly, effective 10/20/15
	1.0			Trisha Varney, 1.0 FTE, Specialized Bus Assistant, Step 1, \$11.00/hourly, effective 10/05/15

Transportation – RTC				
New Positions	+	-	Other	Description
		1.0		Amy Berry, 1.0 FTE, Bus Driver, Pinckney RTC, resignation, effective 10/30/15
		1.0		Mike Brogan, 1.0 FTE, Bus Driver, Howell RTC, resignation, effective 10/09/15
	1.0			Robert Light, 1.0 FTE, Bus Driver, Howell RTC, Step 1, \$14.85/hourly, effective 10/27/15
		1.0		Gary Petrie, 1.0 FTE, Bus Driver, Hartland RTC, resignation, effective 10/30/15

Employee(s) to be hired as conditional employee(s) pursuant to the terms of Public Act 68 of 1993 and the Americans with Disabilities Act. Employment is contingent upon a clean record check and upon Board of Education being able to accommodate any disability.