



MINUTES

Regular Board Meeting of December 9, 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, December 9, 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, Melissa Hendrick, Mike Hubert, Tim Jackson, Rachel Kopke, Sean LaRosa, Naomi Norman, Mary Ellen O'Reilly, Judy Paulsen, Lori Ann Pavlack, Kris Resseguie, Teegan Roobol, Erin Schmidt

Guests: Greg Gray

C. Approval of Agenda

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

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

B. Approval: Minutes

The following minutes were presented for approval:

- Regular Board Meeting of November 11, 2015

C. Approval: Financial Information

The following financials were presented for approval:

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

D. Approval: Personnel Board Report

The following personnel report was presented for approval:

- Personnel Report Summary (November)

It was moved by Hill and seconded by Fryer to approve the Consent Agenda as presented.

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

The motion carried unanimously.

4. Special Presentations

Brighton Superintendent Greg Gray presented information on Shared Services.

Dawn Bentley introduced LESA staff Rachel Kopke, Melissa Hendrick, Teegan Roobol, Erin Schmidt, Lori Ann Pavlack, and Mary Ellen O'Reilly, who shared information on Learning Leaders.

5. Action/Discussion Items.

A. Policy Updates – Second 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 in November for a

“first reading” because of the breadth of changes in the recommendations. As part of the December agenda, the Board is asked to approve the updates that were presented in November.

It was moved by Fryer and seconded by Hill that the Board approve the recommended changes to the following LESA policies: Policies 0144.3, 0175.1, 1130/3110/4110, 1217, 1420, 1630.01, 3217/4217/5772, 3430.01/4430.01, 5517.02, 5830, 6110, 6111, 6146, 6320, 6550, 6850, 7217, 8321, 8400, 8500, 9211, 2260.01, 3120, 4120, 5320, 5350, 5517.01, 7540.02, 7540.03, 7540.04, 8325, 8330, 8390, 8510, and 8540.

The motion carried unanimously.

B. Approval of Facility Use Agreements Exceeding Six Months

All Star Driver’s Education and Arbour Meadows Community Church have requested the use of the Agency facilities for the 2016 calendar year.

Both organizations have been respectful in their use of the Agency space and have been timely in their room rental payments.

The following entities have requested use of Agency facilities for more than a 6 month period:

Howell Kiwanis
Human Services Collaborative Body (HSCB)
Emmaus Ministries for Ashley’s Friends Grief Support Group

These agencies/organizations are all 501(c)3 and therefore do not pay a room rental fee.

Such requests require express Board approval per Board Policy 7510.

It was moved by Hill and seconded by Fryer that the Board approve facility use agreements for the above named entities.

The motion carried unanimously.

C. 2015 School Building and Site Bonds

In November the Board approved a resolution authorizing issuance of \$3,080,000 of bonds to help finance the re-construction of the Adult Transition Building and the Renaissance Building. The timeline of tasks as noted was also reported to the Board in November.

At 11:30 am on December 9th the bonds were sold. Attached is the resolution required

to accept the lowest interest cost bid for the purchase of the bonds and also the designation of the paying agent-bond registrar. The resolution has been prepared by the Thrun Law Firm who is serving as the Agency's bond counsel.

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 approve the bid resolution for the general obligation limited tax 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.

E. 2015-2016 Budget Revision

As required by the State of Michigan, the 2015-16 General Fund and Special Education budgets are presented for amendment by the Board of Education. The amendments are intended to update the budget based on more current financial information than was known in the Winter/Spring of 2015 when the budget was developed for adoption by the Board in June of 2015.

A revised budget resolution has been provided.

It was moved by Fryer and seconded by Kaiser that the Board of Education approve the General Appropriation Resolution 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.

6. Reports

A. Staff Reports

Updated the Board on progress toward LESA strategic plan goals.

B. Superintendent's Report

Superintendent Danosky reported that the recent GSRP audit was very positive.

Superintendent Danosky provided an update on the NCLB rewrite.

7. Board Discussion

Board members shared information about the AESA Conference that they recently attended.

President Loy shared emergency preparedness information and will make it available to Dawn Bentley.

8. Adjournment

President Loy declared the meeting adjourned at 8:19 p.m.

Respectfully submitted,

Harold E. Fryer
Secretary

HEF/jp

Personnel Report – November 30, 2015

Information Only Personnel Report Summary:

Employee Group	Budget	10/31/15	+	-	11/30/15	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	77.5	2.0	(3.0)	76.5	5.5
LIPSA	145.0	143.3	1.0	(0.0)	144.3	0.7
Teacher Asst.	55.6	56.4	0.0	(0.0)	56.4	0.0
Specialized Transp.	79.0	71.0	4.0	(1.0)	74.0	0.0
Brighton RTC	32.0	30.0	0.0	(1.0)	29.0	3.0
Hartland RTC	43.0	39.0	0.0	(0.0)	39.0	4.0
Howell RTC	45.0	47.0	0.0	(0.0)	47.0	0.0
Pinckney RTC	23.0	23.0	0.0	(0.0)	23.0	0.0
Total	582.3	558.5	7.0	(-5.0)	560.5	14.2

(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
			1.0	James Anderson, 1.0 FTE, Bus Mechanic to Lead Bus Mechanic, Scale 2, Step 5, \$26.25 hourly, effective 11/16/15

Early Childhood				
New Positions	+	-	Other	Description
		1.0		Diane Fowkes, 1.0 FTE, Program Assistant, resignation, effective 12/01/15
		1.0		Korissa Grimm, 1.0 FTE, Program Assistant, termination, effective 11/13/15
	1.0			Brittany Hamlet, 1.0 FTE, Program Assistant, Level 1, Step 1, \$8.91 hourly, effective 11/18/15
		1.0		Jennifer Hewitt, 1.0 FTE, Lead Teacher, resignation, effective 11/01/15
	1.0			Tracy Lillemoen, 1.0 FTE, Lead Teacher, Level 6, Step 1, \$17.01 hourly, effective 11/03/15

LIPSA				
New Positions	+	-	Other	Description
	1.0			Robert Dorner, 1.0 FTE, School Social Worker, Level 5, Step 5, \$56,621 annually, effective 11/30/15

Teacher Assistants				
New Positions	+	-	Other	Description

Specialized Transportation				
New Positions	+	-	Other	Description
		1.0		Susan Corwin, correction from 1.0 FTE, Specialized Bus Assistant to Substitute Bus Assistant, \$11.00 hourly, effective 10/26/15
	1.0			Idoni Carman, 1.0 FTE, Specialized Bus Assistant, Step 1, \$11.00 hourly, effective 11/23/15
	1.0			Lynn Layland, 1.0 FTE, Specialized Bus Driver, Step 1, \$14.72 hourly, effective 10/26/15
	1.0			Dennis O'Dell, 1.0 FTE, Specialized Bus Assistant, Step 1, \$11.00 hourly, effective 10/26/15
	1.0			Thomas Stamatis, 1.0 FTE, Specialized Bus Driver, Step 1, \$14.72 hourly, effective 11/09/15

Transportation – RTC				
New Positions	+	-	Other	Description
		1.0		Tracie Ewald, 1.0 FTE, Bus Driver, Brighton RTC, resignation, effective 11/16/15

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.

2015-16 General Appropriation Resolution

RESOLVED, that this resolution shall be the general appropriations of the Livingston Educational Service Agency for the fiscal year beginning July 1, 2015 and ending June 30, 2016: A resolution to make appropriations; to provide for the expenditure of the appropriations; and to provide for the disposition of all income received by the Livingston Educational Service Agency.

BE IT FURTHER RESOLVED, that the total revenue and unappropriated fund balance estimated to be available for appropriation in the **General Education Fund** of the Livingston Educational Service Agency for the fiscal year beginning July 1, 2015 and ending June 30, 2016 is as follows. Included in Local Revenue is LESA's share of allocated millage in the amount of \$472,863:

Revenue:	Original Budget	1st Budget Revision	2nd Budget Revision
Local	\$588,150	\$649,662	
State	4,492,563	4,886,411	
Federal	2,055,022	2,043,888	
Payments from Other Public Schools	8,888,208	8,713,634	
Fund Modifications (Other Operating Transfers In)	60,000	50,000	
Total Revenue	16,083,943	\$16,343,595	
Fund Balance:			
Total Fund Balance, July 1, 2015	\$1,327,980	\$1,337,293	
Total Available to Appropriate	\$17,411,923	\$17,680,888	

BE IT FURTHER RESOLVED, that \$16,324,570 of the total available to appropriate in the **General Education Fund** is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures:	Original Budget	1st Budget Revision	2nd Budget Revision
Instruction:			
Basic Programs	\$1,913,491	\$1,640,827	
Added Needs	68,283	68,283	
Adult and Continuing	0	18,505	
Support Services:			
Pupil	670,929	741,595	
Instruction Staff	1,535,996	1,562,714	
General Administration	392,628	409,349	
School Administration	396,317	484,910	
Business	244,898	231,991	
Operations/Maintenance	365,395	375,188	
Transportation	7,344,954	7,225,286	
Support Services-Central	1,663,787	1,559,595	
Other (mostly food service)	332,361	439,537	
Community Services	84,959	100,172	
Payments to Other Public Schools	885,044	1,288,082	
Payments to Other Gov't Agencies	49,221	47,000	
Other Financing Uses	141,638	131,536	
Total Appropriated	\$16,089,901	\$16,324,570	
Ending Fund Balance:			
Total Fund Balance, June 30, 2016	\$1,322,022	\$1,356,318	

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the **Special Education Fund** of the Livingston Educational Service Agency for the fiscal year beginning July 1, 2015 and ending June 30, 2016 is as follows. Included in Local Revenues is LESA's voted millage for Special Education estimated at 2.2665 mills using a 0.9989 Millage Reduction Fraction, which will provide an estimated \$15,995,089 in revenue:

Revenue:	Original Budget	1st Budget Revision	2nd Budget Revision
Local	\$17,029,910	\$17,187,923	
State	9,392,149	9,337,207	
Federal	6,008,328	6,005,941	
Incoming Transfers & Other	58,600	59,750	
Fund Modifications (Other Operating Transfers In)	387,000	389,000	
Total Revenue	\$32,875,987	\$32,979,821	
Fund Balance:			
Total Fund Balance, July 1, 2015	\$3,706,567	\$3,753,052	
Total Available to Appropriate	\$36,582,554	\$36,732,873	

BE IT FURTHER RESOLVED, that \$33,210,131 of the total available to appropriate in the **Special Education Fund** is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures:	Original Budget	1st Budget Revision	2nd Budget Revision
Instruction:			
Added Needs	\$4,769,513	\$4,767,217	
Support Services:			
Pupil	15,151,690	15,117,060	
Instruction Staff	2,026,668	2,043,934	
General Administration	127,055	123,533	
School Administration	0	0	
Business	788,098	931,164	
Operations/Maintenance	581,488	584,770	
Transportation	3,728,598	3,594,314	
Support Services-Central	487,183	501,774	
Other	0	0	
Community Services	82,000	46,589	
Payments to Other Public Schools	4,787,803	4,789,117	
Operating Transfers	710,500	710,659	
Total Appropriated	\$33,240,596	\$33,210,131	
Ending Fund Balance:			
Total Fund Balance, June 30, 2016	<u>\$3,341,958</u>	<u>\$3,522,742</u>	

Explanation of Budget Changes

***Note:** The resolutions above are presented in the format required by the Michigan Department of Education, which are different from the monthly board budget reports. The monthly budget reports are presented to show individual grants and programs. The total budget amounts, therefore, are the same but the reporting structure is different.*

General Fund Revenue:

Significant Changes from Original Budget to 1st Budget Revision:

The increase in revenue of approximately \$260,000 is the result of adjustments to the grant and consortium budgets, which change for reasons unable to predict at the time of original budget adoption. These budgets require modified estimates throughout the year based on updated state and federal grant allocations and changes in local district consortium needs. The most notable changes in General Fund Revenue include:

- \$290,000 increase to the Applied Technology Consortium for a statewide increase in vocational education funding.
- \$150,000 decrease in the Regional Transportation Collaborative, updated for current fuel costs.

General Fund Expenditures:

Significant Changes from Original Budget to 1st Budget Revision:

The total expenditures increased by just over \$230,000. This is attributable to the factors discussed above. Other changes in departmental budgets that exceeded \$50,000 include:

- \$90,000 increase to the Great Start Readiness Grant for additional transportation funding.
- \$60,000 decrease in the Nutrition Grant carryover because more expenditures were incurred near the close of the prior fiscal year.
- \$55,000 increase in the actual award for Nutrition Grant to be used on nutrition education programs within the region.

Special Education Fund Revenue:

Significant Changes from Original Budget to 1st Budget Revision:

The Special Education fund revenue increased by approximately \$100,000. This increase was primarily attributable to the following changes:

- \$135,000 increase in property tax revenue because property tax values in the County increased by a higher percentage than initially estimated.
- \$50,000 increase in Medicaid revenue based on an updated analysis of reportable costs and estimated reimbursement percentages. The final reimbursement percentages will not be known until later in the fiscal year.

- \$140,000 increase in Section 147c revenue adjusted for the Agency's current year allocation published by the Michigan Department of Education.
- \$200,000 decrease in Special Education state revenue based on prior year actual costs, which were lower than estimated.

Special Education Fund Expenditures:

Significant Changes from Original Budget to 1st Budget Revision:

The total expenditures decreased by approximately \$30,000. Changes in departmental budgets that exceeded \$50,000 include:

- \$150,000 increase in support service expenditures for the Headlee Restoration election.
Note: Revenue to support this expenditure will be received in the 16-17 fiscal year when the additional millage is levied.
- \$135,000 decrease in Specialized Transportation attributable to a reduction in estimated fuel & repair costs and a reduction in aide staffing costs.