

**MADISON LOCAL BOARD OF EDUCATION
REGULAR MEETING
September 4, 2018
6:00 P.M.**

The Board of Education of the Madison Local School District met in regular session on Tuesday, September 4, 2018 in the Madison Board of Education conference room with the following members present: Larry Armstrong, Shawn Douglas, Michael Haury, Michelle Hayes and Jean Sency.

APPROVAL OF AGENDA

#136-18
Agenda

Michelle Hayes moved and Larry Armstrong seconded that the Board adopt the agenda as presented and with such modifications made by the Superintendent.

Larry Armstrong, Shawn Douglas, Michael Haury, Michelle Hayes and Jean Sency voted "Yes." Vote: 5-0.

REPORTS AND RECOMMENDATIONS OF THE TREASURER

#137-18
Donations

A. Larry Armstrong moved and Michelle Hayes to accept the following donations:

- ▶ a generous donation of items from Keep Us In Stitches to North Elementary's Makerspace to be used as needed.
- ▶ a generous donation of backpacks and school supplies from Park United Methodist Church to South Elementary School to be used as needed.
- ▶ a generous donation of backpacks and school supplies from Great Day Child Care to South Elementary to be used as needed.
- ▶ a generous donation of \$300 from Warren Team-Howard Hanna to North Elementary School to be used for Streak of the Month signs and shirts.
- ▶ a generous donation of \$1,000 from Huffman-Mayer Wealth Management Group to North Elementary School to be used for Streak of the Month incentives.
- ▶ a generous donation of \$1,000 from Trice Chiropractic Clinic to North Elementary School to be used to purchase educational/motivational banners.
- ▶ a generous donation of 15 gift cards totaling \$375 from Joey's Italian Grille to North Elementary School to be used for perfect attendance/Streak of the Month awards.
- ▶ a generous donation of \$500 from Jack's Pools and Spas to North Elementary School to be used for kick off the year shirts and Streak of the Month program.

Larry Armstrong, Shawn Douglas, Michael Haury, Michelle Hayes and Jean Sency voted "Yes." Vote: 5-0.

#138-18
Resolution
Bonds

B. Larry Armstrong moved and Jean Sency seconded to adopt the following resolution:

**A RESOLUTION AUTHORIZING THE SALE AND ISSUANCE OF
BOND ANTICIPATION NOTES FOR THE PURPOSE OF REFUNDING A PRIOR
SERIES OF BOND ANTICIPATION NOTES, THE PROCEEDS OF WHICH WERE
ORIGINALLY USED TO ACQUIRE ENERGY EFFICIENCY IMPROVEMENTS
FOR THE SCHOOL DISTRICT**

WHEREAS, the Board of Education (the "Board") of the Madison Local School District (and together with the Board, the "District") previously contracted with an architect, professional engineer, or other person experienced in the design and implementation of energy conservation measures for an analysis and recommendations pertaining to installations, modifications of installations, or remodeling that would significantly reduce energy consumption in buildings owned by the District; specifically, the District previously contracted with Gardiner Trane for the acquisition and installation of the Project; and

WHEREAS, the report of Gardiner Trane included estimates of all costs of such installations, modifications, or remodeling including costs of design, engineering, installation, maintenance, repairs and debt service, and estimates of the amounts by which energy consumption and resultant operational and maintenance costs, as defined by the Ohio School Facilities Commission (the "Commission") would be reduced; and

WHEREAS, the Board has found after receiving approval from the Commission via (a) a resolution dated August 25, 2011 and (b) an award letter dated August 26, 2011, that the amount of money the District would spend on such installations, modifications, or remodeling is not likely to exceed the amount of money it would save in energy and resultant operational and maintenance costs over the ensuing 14.2 years; and

WHEREAS, the Board previously authorized the treasurer of the Board to submit to the Commission a copy of its findings and a request for approval to incur indebtedness to be evidenced by the notes or bonds authorized hereby to finance the making or modification of installations or the remodeling of buildings for the purpose of significantly reducing energy consumption in buildings throughout the District, as set forth in greater detail in the report issued by Gardiner Trane (the "Project"); and

WHEREAS, the Commission previously approved the Project; and

WHEREAS, the treasurer of the Board has estimated that the life of the Project to be acquired and installed with the proceeds of the notes hereinafter referred to is at least five (5) years, and has certified that the useful life of the Project and the maximum maturity of the bonds is fifteen (15) years; and

WHEREAS, in order to finance the Project, the Board previously issued its Energy Conservation Improvement General Obligation Bond Anticipation Notes, Series 2017 (Sixth Renewal), dated October 4, 2017 in the principal amount of \$1,295,000 (the "Prior Notes"), which Prior Notes mature on October 4, 2018; and

WHEREAS, the Board deems it to be in the best interests of the District, pursuant to Section 133.06(G) of the Ohio Revised Code, to incur indebtedness without a vote of the people in an amount not to exceed nine-tenths of one per cent (9/10ths of 1%) of the total value of all property in the District as listed and assessed for taxation for the purpose of currently refunding the Prior Notes, and that the total net indebtedness without a vote of the electors under said provisions and all other sections of the Ohio Revised Code shall not exceed one per cent (1%) of the total value of all property in the District as listed and assessed for taxation; and

WHEREAS, this Board intends to pay principal and interest on the notes authorized by this resolution from energy savings or from other available revenues within the District's general fund (the "Revenues");

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of the Madison Local School District, Counties of Lake and Geauga, Ohio:

SECTION 1. That it is necessary to issue bonds of this Board in the principal sum set forth in Section 3 hereof for the purpose of currently refunding the Prior Notes, the proceeds of which were used to refund a prior series of notes, the proceeds of which were used to acquire the Project, together with other permissible costs under the Uniform Public Securities Law of the Ohio Revised Code.

SECTION 2. That bonds of this Board shall be issued in the principal sum not to exceed \$1,215,000 for the purpose of refunding the Prior Notes, the proceeds of which were used to refund a prior series of notes, the proceeds of which were used to acquire the Project, which Project is a permanent improvement (or consists of various permanent improvements), under authority of the general laws of the State of Ohio, particularly Chapter 133 of the Ohio Revised Code. Said bonds shall be dated approximately October 1, 2019, shall bear interest at the rate now estimated at five per centum (5%) per annum, and shall mature in substantially equal semiannual or annual installments over a period not in excess of the useful life of the Project.

SECTION 3. That, in order to currently refund the Prior Notes, bond anticipation notes of this Board shall be issued in anticipation of the issuance of said bonds in a principal sum not to exceed \$1,215,000, which does not exceed the amount of the bonds to be issued for the purpose of currently refunding the Prior Notes, under authority of the general laws of the State of Ohio, particularly Chapters 133 and 3313 of the Ohio Revised Code. The notes shall be dated on the date of issuance; shall bear interest at the rate not to exceed five per centum (5%) per annum as determined by the treasurer of this Board in a certificate of award; shall mature not later than one year from the date of issuance, or such earlier date as approved by the treasurer of this Board in a certificate of award, and shall be of such number and denomination as may be requested by the purchaser thereof. This Board hereby authorizes the treasurer of this Board to execute a certificate of award establishing the interest rate, maturity date and redemption provisions (if any) of the notes and any other terms and conditions of the notes consistent with this resolution and necessary to effectuate the issuance of the notes, as such provisions are required or permissible under Sections 133.06(G), 133.22, 133.23 and 3313.372 of the Ohio Revised Code and related provisions.

SECTION 4. That the notes shall specify on their faces the purpose for which they are issued and that they are issued in pursuance of this resolution and under authority of the general laws of the State of Ohio, particularly Chapters 133 and 3313 of the Ohio Revised Code. The notes shall be signed by the president or vice-president and treasurer of this Board, shall be designated "Energy Conservation Improvement General Obligation Bond Anticipation Notes, Series 2018 (Seventh Renewal)" and shall be payable at the office of the treasurer of the Board or at the office of a paying agent and registrar, as designated in the certificate of award.

SECTION 5. That the notes shall be sold, at not less than par and accrued interest, to Stifel, Nicolaus & Company, Incorporated, Cleveland, Ohio (or such other purchaser or financial institution as designated in the certificate of award), in accordance with its offer to purchase. The proceeds from the sale of said notes, except the premium and accrued

interest, shall be used for the purpose aforesaid, and for no other purpose; and any premium may be used to pay costs of issuance, and any remaining premium amount and accrued interest shall be transferred to the bond retirement fund to be applied to the payment of the principal of and interest on said notes in the manner provided by law.

SECTION 6. That for the payment of the principal of and the interest on the notes, the full faith, credit and revenues of this Board are hereby irrevocably pledged and for the purpose of providing the necessary funds to pay the interest on the notes promptly when and as the same falls due, and also to provide a fund sufficient to discharge the notes at maturity, there shall be and is hereby levied on all the taxable property in the District, in addition to all other taxes, a direct tax annually during the period said notes are to run, outside of the limitations of Section 2 of Article XII of the Constitution of Ohio, which tax shall be sufficient in amount to provide for the payment of the interest on the notes when and as the same falls due and to provide for the retirement and discharge of the principal of the notes at maturity and shall not be less than the interest and sinking fund tax required by Section 11 of Article XII of the Constitution of Ohio.

SECTION 7. That said tax shall be and is hereby ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers in the same manner and at the same time that taxes for general purposes for each of said years are certified, extended and collected. Said tax shall be placed before and in preference to all other items and for the full amount thereof. The funds derived from said tax levies hereby required shall be placed in a separate and distinct fund, which, together with all interest collected on the same, shall be irrevocably pledged for the payment of the interest on and principal of said notes, or the bonds in anticipation of which said notes are issued, when and as the same fall due.

SECTION 8. That this Board, for and on behalf of the District, hereby covenants that it will restrict the use of the proceeds of the notes hereby authorized in such manner and to such extent, if any, and take such other action as may be necessary, after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute obligations the interest on which is subject to federal income taxation or "arbitrage bonds" under Sections 103(b)(2) and 148 of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations prescribed thereunder. The treasurer or any other officer having responsibility with respect to the issuance of the notes is authorized and directed to give an appropriate certificate on behalf of the District, on the date of delivery of the notes, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to the use of the proceeds thereof and the provisions of said Sections 103(b)(2) and 148 and regulations thereunder. These notes are hereby deemed designated "qualified tax-exempt obligations" for the purposes set forth in Section 265(b)(3) of the Code. The District does not anticipate issuing more than \$10,000,000 of "qualified tax-exempt obligations" during the calendar year in which the notes shall be issued.

SECTION 9. That the Board acknowledges that it previously declared, by at least a two-thirds vote of all of its members, that division (A) of Revised Code Section 3313.46 did not apply to the installation, modification, or remodeling involved in the energy conservation measures undertaken pursuant to this resolution and division (G) of Section 133.06 of the Revised Code.

SECTION 10. That so long as the notes incurred hereunder remain unpaid, the Board shall monitor the energy consumption and resultant operational and maintenance costs of buildings in which installations or modifications have been made or remodeling has been done with the proceeds of the notes and shall maintain and annually update a report

documenting the reductions in energy consumption and cost savings attributable to such installations, modifications, or remodeling. The report shall be certified by an architect or engineer independent of any person that provided goods or services to the Board in connection with the energy conservation measures that are the subject of the report. The resultant operational and maintenance cost savings shall be certified by the Treasurer. The report shall be made available to the Commission upon request. The Board shall also take any other action or actions required under Section 133.06 and Section 3313.372 of the Ohio Revised Code in order to provide compliance reports or information to the Commission or as otherwise required under such sections.

SECTION 11. That this Board hereby authorizes the District to participate in the Ohio Market Access Program – Note Wrap - offered by the Treasurer of the State of Ohio (the “Program”), provided that (a) participation in the Program is in the best interests of the District and (b) the treasurer affirmatively elects to participate in the Program in the certificate of award.

SECTION 12. That the Standby Note Purchase Agreement (the “Note Purchase Agreement”) required as part of the Program is hereby authorized in the form presented to this Board with such changes not materially adverse to the District as may be approved by the authorized signatories of the District executing the Note Purchase Agreement, as provided in this resolution. The District acknowledges the agreement of the Treasurer of State in the Standby Note Purchase Agreement that, in the event the District is unable to repay the principal amount and accrued and unpaid interest of the notes at maturity, whether through its own funds or through the issuance of other obligations of the District, the Treasurer of State agrees (a) to purchase the notes from the holders or beneficial owners thereof upon their presentation to the Treasurer of State for such purchase at a price of par plus accrued interest to maturity or (b) to purchase renewal notes of the District in a principal amount not greater than the principal amount of the notes plus interest due at maturity, with such renewal notes bearing interest at a rate of the lower of the maximum interest rate provided by law or the 1-year MMD (Municipal Market Data) Index for “AAA”-rated obligations plus 400 basis points (or such other rate methodology in effect as part of the Program), maturing not more than one year after the date of their issuance, and being prepayable at any time with 30 days' notice, provided that in connection with the Treasurer of State's purchase of such renewal notes the District shall deliver to the Treasurer of State an unqualified opinion of nationally recognized bond counsel that (i) such renewal notes are the legal, valid, and binding general obligations of the District, and the principal of and interest on such renewal notes, unless paid from other sources, are to be paid from the proceeds of the levy of ad valorem taxes within the ten-mill limitation imposed by law on all property subject to ad valorem taxes levied by the District and (ii) interest on the renewal notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended to the same extent that interest on the notes is so excluded.

In addition, the District acknowledges that the Treasurer of State will establish an “After Maturity Interest Rate,” as generally provided for as part of the Program and as specifically provided for within the Note Purchase Agreement.

Such officers signing the notes are authorized to take all actions that may in their judgment reasonably be necessary to provide for such Note Purchase Agreement, including but not limited to the inclusion of a notation on the form of the notes providing notice to the holders or beneficial owners of the existence of such Note Purchase Agreement and providing

instructions to such holders or beneficial owners regarding the presentation of the note for purchase by the Treasurer of State at stated maturity.

SECTION 13. That the President of the Board (or in the absence of the President of the Board or pursuant to his or her delegation, the Vice President of the Board), the treasurer of the Board, and the superintendent of the District, individually or in any combination, are hereby authorized to execute any and all necessary agreements, certificates, and other documentation in order to effectuate the issuance and delivery of the notes, including without limitation, the Note Purchase Agreement.

SECTION 14. That it is found and determined that all formal actions of this Board concerning and relating to the adoption of this resolution were adopted in an open meeting of this Board, and that all deliberations of this Board and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

SECTION 15. That Dinsmore & Shohl LLP is hereby retained as bond counsel in order to prepare the necessary documentation to provide for the issuance and delivery of the notes authorized by virtue of this resolution.

SECTION 16. That the treasurer of this Board be and is hereby directed to forward a certified copy of this resolution and the certificate of award to the county auditor of each county into which the District extends, as required by law.

Larry Armstrong, Shawn Douglas, Michael Haury, Michelle Hayes and Jean Sency voted "Yes." Vote: 5-0.

REPORTS OF THE ADMINISTRATIVE TEAM

Mrs. Smith updated the Board about the heat in the classrooms, the custodial substitutes and safety drills. She distributed a presentation on graduation pathways and graduation requirements.

Mr. Bull talked about the Martha Holden Jennings Grant.

RECOMMENDATIONS OF THE SUPERINTENDENT

#139-18

Personnel

- A. Michelle Hayes moved and Michael Haury seconded to engage in the following personnel actions as listed below; provided, however, that should any item included within this motion be declared by a court of competent jurisdiction to be void or illegal, all remaining items within this motion shall remain in full force and effect notwithstanding the status of the voided item.

(1.) The Board entered into the following employment contracts:

- to employ the persons for the positions and at the rate of compensation and other terms and conditions of employment as listed below.
- ▶ each of the following substitute teachers as approved by the Lake County Educational Service Center and/or the Madison Local School District's Assistant Superintendent under a one-year limited substitute teacher contract for the 2018-2019 school year, pursuant to ORC §§109.57, 3319.10 and 3319.39.

Rae Ann Adkins

Joseph Bastian

Tacey Brown

(2) The Board amended the following contract:

- ▶ to amend the contract amount of Nick Ciani from MA+30, 10 years, \$68,338 to the correct amount of \$69,700.

(3) The Board approved the following transfers:

- ▶ transfer Karen Alley from a 2 hour Playground Assistant position at South Elementary to a 3 ¼ hour position as a Special Needs Assistant at South Elementary, effective August 13, 2018.
- ▶ transfer Vicky Mehls from a 3 ½ hours Cafeteria Assistant position at Madison Middle School to a 7 ½ hour position as building secretary at Madison Middle School effective, August 27, 2018.

Larry Armstrong, Shawn Douglas, Michael Haury, Michelle Hayes and Jean Sency voted "Yes." Vote: 5-0.

CONSENT CALENDAR

#140-18
Calendar

A member of the Board or the Superintendent may request that any item be removed from the consent calendar and voted upon separately.

Michelle Hayes moved and Jean Sency seconded that all of the following items which appear in this portion of the agenda constitute the consent calendar and are hereby adopted by this one single motion; provided, however, that should any item included within this motion be declared by a court of competent jurisdiction to be void or illegal, all remaining items within this motion shall remain in full force and effect notwithstanding the status of the voided item.

- ▶ to approve a trip to Washington, D.C., scheduled for March 20-22, 2019 for MMS eighth grade students, pursuant to Board policy 2340; to authorize the Superintendent to impose a student participation fee in the amount of \$350 per student, pursuant to Board policy 6152; and to authorize the Superintendent or designee to enter into an agreement with Tracie Smith, 20th Century Tours, Inc. of Youngstown, Ohio, pursuant to Board policy 6320, to provide carrier and related services for the trip, subject to the limitations of ORC §3328.15 and OAC §3301-83-16(E). In acting on behalf of the Board, the Superintendent or designee shall condition his signature on any agreement upon the availability of funds for the trip from sources other than the school district's general fund, and his final approval for the trip upon a demonstrated interest by a reasonable number of participating selected students.
- ▶ to approve a trip to Columbus, Ohio, scheduled for March 15, 2019 for MMS seventh grade students, pursuant to Board policy 2340; to authorize the Superintendent to impose a student participation fee in the amount of \$125 per student, pursuant to Board policy 6152; and to authorize the Superintendent or designee to enter into an agreement with Tracie Smith, 20th Century Tours, Inc. of Youngstown, Ohio, pursuant to Board policy 6320, to provide carrier and related services for the trip subject to the limitations of ORC §3328.15 and OAC §3301-83-16(E). In acting on behalf of the Board, the Superintendent or designee shall condition his signature on any agreement upon the availability of funds for the trip from sources other than the school district's general fund, and his final approval for the trip upon a demonstrated interest by a reasonable number of participating selected students.

- ▶ to approve the contract between Madison Local School District and Exousia Rehabilitative Services, Inc. to provide Licensed Occupational Therapy and/or a Certified Occupational Therapy Assistant(s) for the 2018-2019 school year.

Larry Armstrong, Shawn Douglas, Michael Haury, Michelle Hayes and Jean Sency voted "Yes." Vote: 5-0.

PUBLIC PARTICIPATION

Joe Vulcan asked about why school starts so early.

EXECUTIVE SESSION

#141-18
Executive
Session

Larry Armstrong moved and Michelle Hayes seconded to enter into executive session for the purpose as outlined below, pursuant to ORC §121.22.

- [1] the appointment, employment, dismissal, discipline, promotion, demotion, or compensation of public employees or regulated individuals, or the investigation of charges or complaints against a public employee or regulated individual unless such person requests a public hearing;

Larry Armstrong, Shawn Douglas, Michael Haury, Michelle Hayes and Jean Sency voted "Yes." Vote: 5-0.

Reconvened from executive session with a roll call

Larry Armstrong, Shawn Douglas, Michael Haury, Michelle Hayes and Jean Sency present.

ADJOURNMENT

Larry Armstrong moved and Michelle Hayes seconded that the Board adjourn the meeting.

Larry Armstrong, Shawn Douglas, Michael Haury, Michelle Hayes and Jean Sency voted "Yes." Vote: 5-0.

The audio recording of the public sessions of this meeting can be found on file in the Treasurers Office.

President

Treasurer