

**BOARD OF EDUCATION
REGULAR MEETING MINUTES**

January 28, 2008

The regular meeting of the Board of Education of the Portage Public Schools held on Monday, January 28, 2008, was called to order at 6:30 p.m. by President Johnson in the Community Room of the Administration Building, 8111 S. Westnedge. She welcomed an audience of 20 people and all in attendance recited the Pledge of Allegiance.

Board Trustees Present: Tom Eddy, Shirley Johnson, Melanie Kurdys, Wendy Mazer, Deb Polderman, Dale Posthumus, and Jennifer Whistler

Board Trustees Absent: None

DISTRICT RECOGNITION AND ACKNOWLEDGEMENTS

Superintendent Wells opened the recognition portion of the meeting and asked teacher, Ms. Gayle McPhilamy to introduce the Empty Bowls community service project. Ms. McPhilamy and two middle school students provided background information on the Empty Bowls Event scheduled to take place February 21, 2008, from 5:30-7:00 p.m., in the Northern High School cafeteria. All proceeds from this fundraiser will go to the Portage Community Outreach Center's food bank. Superintendent Wells and President Johnson thanked Ms. McPhilamy for spearheading this event and the students for their contributions.

Superintendent Wells invited the Community Relations Manger, Mr. Tom Vance, to introduce the next guest. Mr. Vance introduced the Executive Director, Lt. Col. Gary Aten, Michigan Commission for Employer Support of the Guard and Reserve. Lt. Col. Aten presented Superintendent Wells and the District with a Statement of Support from the Department of Defense, which the Superintendent accepted and signed.

ACADEMIC EXCELLENCE RECOGNITIONS AND PRESENTATIONS

The Director of Special Education, Mrs. Laurie Montgomery, introduced two of the Title One elementary schools in the District, Lake Center Elementary and Central Elementary. The Lake Center Principal, Mr. Mark Root, and Special Education and Title One Supervisor, Dr. Pat Steinert-Otto, presented a building report on comparisons of yearly benchmark status. Central Elementary Principal, Mrs. Susan Roberts, and paraprofessional, Ms. Kathy Chase, presented progress monitoring data on Central Elementary students. Several Trustees asked questions and Mrs. Roberts will respond to specific questions presented by President Johnson.

REPORTS

Superintendent's Report: Superintendent Wells congratulated the Transportation Department on their seventh straight year of perfect bus inspections. She acknowledged the death of a past Board of Education Trustee, Dr. Robert Vander Roest, and offered condolences to the family.

Superintendent Wells informed the audience that January is Board Recognition Month then acknowledged and thanked the Board of Education for their commitment to serve the students and citizens of the District.

Treasurer's Report: Mrs. Polderman presented the Treasurer's Report of Bills Approved for Payment as of November 26, 2007, November 28, 2007, December 12, 2007, December 21, 2007, and January 9, 2008, General Fund bills in the amount of \$12,046,573.44, and Building & Site Fund bills in the amount of \$68,934.37, for a grand total of \$12,115,507.81.

Board Committee Reports: Reports were presented by Mrs. Whistler regarding the Policy and Personnel Committee and Mrs. Polderman regarding the Finance Committee, President Johnson regarding the Bond Advisory Committee, and Mrs. Mazer regarding the Academic Achievement Committee.

Legislative Update: Mrs. Kurdys presented an update regarding a 1.7% increase in student allocation, a report due on PA 63 regarding intermediate districts shared services, Governor Granholm's state of the State address, compulsory attendance for students changing from 6-16 years old to 5-18 years old, a bill to revise sanctions for failing schools from three years to five years, a new college savings program signed by the Governor, and No Child Left Behind (NCLB) discussions.

COMMENTS OR COMMUNICATIONS

President Johnson opened the comments and communications portion of the meeting and asked if there were any citizens that would like to speak to the Board. Mrs. Polderman explained guidelines the Board will begin using for this portion of the meeting.

Mrs. Janet LaVasseur, 3255 N. 38th Street, a District teacher, expressed sincere thanks to all who worked so hard on the recent bond. She shared concerns with the amount of time allowed for public comment, requesting it remain at five minutes and commented on televising both monthly Board meetings.

President Johnson opened the floor to comments from fellow Board members.

Mrs. Whistler acknowledged her years served on the Board, highlighted events over the past three and one half years, and announced her candidacy as a Board Trustee in the May election.

Mr. Eddy shared events from his twelve years as a Board Trustee, thanking several Trustees and Superintendents, and announced he will not seek re-election.

Mr. Posthumus thanked Mr. Eddy for helping him assimilate to the Board. Mrs. Polderman echoed those comments and Superintendent Wells led a round of applause for Mr. Eddy.

Mrs. Kurdys thanked the community for their support in passing the recent Bond request. She commented on how much the enhancement millage funds are appreciated and discussed support for

renewal of a lower amount and concern for District dependence on the funds and reducing that dependence.

Mr. Posthumus informed the audience of Portage Rotary Scholarships, available to current high school and college students, and stated application forms and more information are available in the high school counseling offices.

President Johnson shared information about Portage Education Foundation scholarships commenting information is available in the counseling offices of all three high schools. She informed the audience that a Board Orientation Session has been planned for Thursday night, January 31, 2008, at 5:30 p.m. in the Professional Development Center of the Administration Building. The deadline to register to run for a Trustee opening is February 13, 2008. President Johnson extended heartfelt thanks to everyone involved with arrangements for and organization of the MLK event last week at North Middle School.

CONSENT AGENDA

A motion was offered by Mrs. Whistler, supported by Mrs. Polderman, that the Board of Education approve the consent agenda consisting of: meeting minutes of January 14, 2008 committee meeting of the whole work session and the January 21, 2008 Governance Retreat. Motion carried unanimously.

ACTION ITEMS

A motion was offered by Mrs. Polderman, supported by Mrs. Whistler, that the Board of Education adopt the Resolution for Amendment #1 to the General Appropriations Act (General Fund).

The Assistant Superintendent of Operations, Mr. Tom Noverr, presented background information on this amendment.

Upon a roll call vote, all Trustees present voted in favor of the Resolution.

Motion offered by Mrs. Polderman, supported by Mrs. Whistler, that the Board of Education adopt the Resolution for Amendment #1 to the Building and Site Sinking Fund Appropriations Act.

Mr. Tom Noverr presented background information on this amendment and answered Trustee questions.

Upon a roll call vote, all Trustees present voted in favor of the Resolution.

Motion offered by Mrs. Polderman, supported by Mrs. Whistler, that the Board of Education adopt the Resolution to approve sale of Bonds.

Mr. Noverr thanked the community for their support of the recent Bond proposal. He also thanked the City Manager, Mr. Maurice Evans, and his staff for the information they prepared and the positive impact on “selling Portage Public Schools.” Mr. Noverr provided background information on the recent Bond sale, and introduced the team involved: Ms. Brenda Voutyas, Wachovia Securities; Mr. Michael Givler, Umbaugh & Associates; and Ms. Amanda Van Dusen, Miller, Canfield, Paddock and Stone. Ms. Voutyas emphasized the importance of the AAA Bond rating that the District received from Standard & Poor’s with the purchase of Bond insurance. This, she noted, enabled the District to sell its Bonds for more than face value saving taxpayers \$8.1 million. As a result, the debt levy for Portage Schools will drop more quickly than expected. All provided further details on the Bond sale and answered Trustee questions. President Johnson reminded the audience that Mr. Noverr will sign this Resolution as Board Secretary.

Upon a roll call vote, all Trustees present voted in favor of the Resolution.

A motion was offered by Mrs. Polderman, supported by Mr. Posthumus, that the Board of Education move into closed session for the purpose of discussing negotiations. Upon a roll call vote, all trustees present voted in favor of the motion.

The Board moved into closed session at 8:30 p.m.

The Board returned to open session at 9:15 p.m.

There being no further business to come before the Board, the meeting was adjourned at 9:16 p.m.

Respectfully submitted,

Edna Kent
Recording Secretary

**PORTAGE PUBLIC SCHOOLS
GENERAL FUND APPROPRIATIONS RESOLUTION
AMENDMENT #1 2007/08**

Be it resolved that this resolution shall be the general appropriations of Portage Public Schools for the fiscal year 2007/08. A resolution to make appropriations; to provide for the expenditures of the appropriations; and to provide for the disposition of all revenue received by Portage Public Schools.

Be it further resolved, that the total unappropriated fund balance and revenues to be available for appropriations in the General Fund of Portage Public Schools for the fiscal year 2007/08 is as follows:

Beginning Unappropriated Fund Balance		\$ 7,061,546
REVENUES -		
Local Sources	\$27,596,331	
State Sources	46,768,727	
Federal Sources	1,273,955	
Incoming Transfers and Other Financing Sources	<u>909,356</u>	
Total Revenues		<u>\$76,548,369</u>
Total Available to Appropriate		<u>\$83,609,915</u>

Be it further resolved, that \$76,447,268 of the total available to appropriate is hereby appropriated in the amounts and for the purposes set forth as follows:

EXPENDITURES –		
Instruction:		
Basic Programs	38,806,246	
Added Needs	6,480,535	
Adult Education	108,694	
Support Services:		
Pupil	4,505,193	
Instructional Staff	4,741,355	
General Administration	805,657	
School Administration	4,226,507	
Business Services	878,463	
Operations and Maintenance	7,791,385	
Transportation	2,958,182	
Central Services	1,657,184	
Community Services	1,999,195	
Other Financing Uses:		
Outgoing transfer to Athletic Fund	1,072,601	
Debt Service	<u>416,071</u>	
Total Expenditure Appropriation		<u>\$76,447,268</u>

Be it further resolved that no Board of Education member or employee of the School District shall expend any funds or obligate the expenditure of funds except pursuant to appropriations made by the Board of Education and in keeping with the budgetary policy statement previously adopted. Changes in the amount appropriated shall require approval by the Board of Education.

Be it further resolved that the superintendent is hereby charged with general supervision of the execution of the budget as adopted by the Board of Education and shall hold the directors and department heads responsible for performance of their responsibilities within the amounts appropriated.

**PORTAGE PUBLIC SCHOOLS
BUILDING AND SITE FUND SINKING APPROPRIATIONS RESOLUTION
AMENDMENT #1 2007/08**

Be it resolved that this resolution shall be the Building and Site Sinking Fund appropriations for Portage Public Schools for the fiscal year 2007/08. A resolution to make appropriations; to provide for the expenditure or appropriations; and to provide for the disposition of income received by Portage Public Schools.

Be it further resolved, that the total unappropriated fund balance and revenues to be available for appropriations in the Building and Site Sinking Fund of Portage Public Schools for fiscal year 2007/08 is as follows:

Beginning Unappropriated Fund Balance		\$1,018,625
Revenues:		
Local Property Taxes	\$1,116,175	
Industrial Facility Taxes	10,000	
Payment in Lieu of Taxes	1,000	
Interest on Delinquent Taxes	5,000	
Interest Income	40,000	
Note Receivable Collection	4,020	
Miscellaneous Income	<u>2,100</u>	
Total Revenues		<u>1,178,295</u>
Total Available to Appropriate		<u>\$2,196,920</u>

Be it further resolved, that \$747,200 of the total available to appropriate is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures:		
Major Projects	\$530,279	
Roof Repair	30,000	
Asphalt Repair	20,000	
Toilet Partition Replacement	10,000	
Carpet Replacement	10,000	
District Mechanical	50,873	
District Electrical	25,000	
Exterior Door Replacement	60,250	
Flooring	7,900	
Other Projects	1,898	
Tax Refunds and Other Miscellaneous Costs	<u>1,000</u>	
Total Expenditure Appropriation		<u>\$ 747,200</u>

Be it further resolved that no Board of Education member or employee of the School District shall expend any funds or obligate the expenditure of funds except pursuant to appropriations made by the Board of Education and in keeping with the budgetary policy statement previously adopted. Changes in the amount appropriated shall require approval by the Board of Education.

Be it further resolved that the Superintendent is hereby charged with general supervision of the execution of the budget as adopted by the Board of Education and shall hold the directors and department heads responsible for the performance of their responsibilities within the amounts appropriated.

**RESOLUTION APPROVING SALE OF
2008 SCHOOL BUILDING AND SITE BONDS
(UNLIMITED TAX GENERAL OBLIGATION)**

PORTAGE PUBLIC SCHOOLS
COUNTY OF KALAMAZOO, STATE OF MICHIGAN

Minutes of a regular meeting of the Board of Education of the Portage Public Schools, County of Kalamazoo, Michigan, held in the School District, on the 28th day of January, 2008, at ___:___ p.m., Eastern Standard Time.

PRESENT: Members _____

ABSENT: Members _____

The following preamble and resolution were offered by Member _____ and supported by Member _____:

WHEREAS, by resolution adopted on November 26, 2007 (the "Bond Resolution") the Portage Public Schools (the "School District") authorized its not to exceed \$119,555,000 2008 School Building and Site Bonds (Unlimited Tax General Obligation) (the "Bonds") for the purpose of paying the cost of the improvements described in Proposal 1 and Proposal 2 in the Bond Resolution (the "Capital Projects") and paying the costs of issuing the Bonds; and

WHEREAS, the Bond Resolution designated the Bonds in the aggregate principal amount of not to exceed \$119,555,000 to pay the costs of the Capital Projects as authorized by the electors of the School District pursuant to an election held in the School District on November 6, 2007; and

WHEREAS, the School District has received Qualified Status for 2007 from the Michigan Department of Treasury (the "Department"); and

WHEREAS, the School District has received an offer to purchase the Bonds from Wachovia Bank, National Association, as representative of the underwriters (the "Underwriter"); and

WHEREAS, the Board of Education has determined that it is in the best interest of the School District to accept the offer.

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. The offer of the Underwriter as set forth in the proposed bond purchase agreement (the "Bond Purchase Agreement") presented to this Board of Education to purchase the Bonds in the principal amount, at the purchase price and the rates, and with the optional and mandatory

redemption provisions set forth on Exhibit A attached hereto, is hereby accepted and the Superintendent and Assistant Superintendent of Operations are each, or either is, authorized and directed to execute and deliver the Bond Purchase Agreement on behalf of the School District.

2. The Bonds shall be designated 2008 School Building and Site Bonds (Unlimited Tax General Obligation), shall be issued in the aggregate principal amount of \$112,275,000, shall be dated the date of delivery thereof, and shall mature on the first day of May annually, bear interest and be subject to redemption as set forth in Exhibit A attached hereto. A portion of the net original issue premium received upon sale of the Bonds in the amount of \$7,280,000 shall be treated for purposes of the 2007 election authorization as Bond principal.

3. The Huntington National Bank, Grand Rapids, Michigan is hereby approved as Transfer Agent for the Bonds.

4. Upon delivery of the Bonds, the sum of \$89,710,847.73 shall be deposited into the 2008 School Building and Site Bond Proposal 1 Capital Projects Fund and used solely and only to pay costs of the Proposal 1 Capital Projects. The sum of \$29,619,152.27 shall be deposited into the 2008 School Building and Site Bond Proposal 2 Capital Projects Fund and used solely and only to pay costs of the Proposal 2 Capital Projects. The sum of \$225,000.00, representing the costs of issuance related to the Bonds, shall be deposited into the 2008 School Building and Site Bonds Cost of Issuance Fund. The sum of \$226.93 from the proceeds of the Bonds shall be deposited in the 2008 School Building and Site Bonds Debt Retirement Fund.

5. There shall be paid into the 2008 School Building and Site Bonds Debt Retirement Fund for the Bonds sufficient ad valorem property tax revenues or other funds lawfully available therefor to pay and be used solely for the purpose of paying the principal of and interest on the Bonds, which levy shall be without limitation as to rate or amount.

6. The Preliminary Official Statement relating to the Bonds dated January 17, 2008, and its use by the Underwriter is hereby approved, ratified and confirmed.

7. The Official Statement dated January 28, 2008, relating to the Bonds, is hereby authorized and approved. The Superintendent or the Assistant Superintendent of Operations is authorized and directed to execute and deliver the Official Statement on behalf of the School District. The Superintendent and the Assistant Superintendent of Operations are each, or either is, authorized to approve, execute and deliver any amendments and supplements to the Official Statement necessary to assure that the statements therein are, and as of the time the Bonds are delivered to

the Underwriter will be true, and that it does not contain any untrue statement of a material fact and does not omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

8. The School District hereby covenants that, to the extent permitted by law, it shall take all actions within its control necessary to maintain the exclusion of the interest on the Bonds from adjusted gross income for federal income purposes under the Internal Revenue Code of 1986, as amended (the "Code") including but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of bond proceeds and moneys deemed to be bond proceeds.

9. The officers, administrators, agents and attorneys of the School District are authorized and directed to execute and deliver all other agreements, documents and certificates and to take all other actions necessary to complete the issuance and delivery of the Bonds in accordance with the Bond Purchase Agreement and this Resolution.

10. All other resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members _____

NAYS: Members _____

RESOLUTION DECLARED ADOPTED.

Secretary
Board of Education
Portage Public Schools

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Education of the Portage Public Schools, County of Kalamazoo, Michigan, at a regular meeting held on January 28, 2008, and that the meeting was conducted and public notice of the meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of the meeting were kept and will be or have been made available as required by the Act.

Secretary
Board of Education
Portage Public Schools

EXHIBIT A

Principal Amount: \$112,275,000.00

Purchase Price: \$119,555,226.93 representing principal amount of \$112,275,000.00, plus original issue premium of \$8,384,998.05, less original issue discount of \$275,058.00, less underwriters' discount of \$829,713.12.

Interest Payment: November 1, 2008 and semi-annually on each May 1 and November 1 thereafter.

Maturity Schedule, Interest Rates, Prices and Yields:

<u>Maturity</u> <u>May 1</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>	<u>Yield</u>
2009	\$900,000	3.250%	101.095	2.330%
2010	1,445,000	3.250	101.887	2.370
2011	1,550,000	3.250	102.270	2.510
2012	1,550,000	3.250	102.175	2.700
2013	1,550,000	3.250	102.069	2.820
2014	1,550,000	3.250	101.860	2.920
2015	5,250,000	5.000	112.679	3.030
2016	5,260,000	5.000	113.296	3.150
2017	5,500,000	4.500	109.715	3.270
2018	5,960,000	5.250	116.036	3.380
2019	6,160,000	5.000	112.877*	3.490*
2020	6,300,000	5.000	111.692*	3.620*
2021	6,300,000	5.000	110.791*	3.720*
2022	6,300,000	5.000	110.165*	3.790*
2023	6,300,000	5.000	109.455*	3.870*
2024	6,300,000	4.500	102.884*	4.150*
2025	6,300,000	4.000	98.041	4.160
2026	6,300,000	4.500	101.385*	4.330*
2027	6,300,000	4.125	97.593	4.310
2029†	12,600,000	5.000	106.755*	4.180*
2031†	12,600,000	5.000	106.327*	4.230*

† Term Bonds.

* Price and yield to first call date.

MANDATORY REDEMPTION OF TERM BONDS

The Bonds maturing on May 1, 2029 and May 1, 2031 are term bonds subject to mandatory redemption, in part, by lot, on the redemption dates and in the principal amounts set forth below, and at a redemption price equal to the principal amount thereof, without premium, together with interest thereon to the redemption date.

Term Bonds due May 1, 2029

Redemption Dates	Principal Amounts
May 1, 2028	\$6,300,000
May 1, 2029 (maturity)	\$6,300,000

Term Bonds due May 1, 2031

Redemption Dates	Principal Amounts
May 1, 2030	\$6,300,000
May 1, 2031 (maturity)	\$6,300,000

Optional Redemption

Bonds or portions of bonds in multiples of \$5,000 maturing on or after May 1, 2019 are subject to redemption at the option of the School District, in such order as the School District may determine and by lot within any maturity, on any date on or after May 1, 2018 at par and accrued interest to the date fixed for redemption.