

**JOHANNESBURG-LEWISTON AREA SCHOOLS
BOARD OF EDUCATION – REGULAR MEETING
September 16, 2024**

CALL TO ORDER

The regular meeting of the Johannesburg-Lewiston Board of Education was called to order by President Scott Mathewson at 6:00 pm in the Johannesburg-Lewiston High School Library.

ROLL CALL

Present: Linc Campbell, Frank Claeys, Wendy Huston, Nancy Kussrow, Scott Mathewson, Ursula Owens

Absent: Michael Vogt

Administration: Superintendent Katy Xenakis-Makowski, Lewiston School Principal Gina Robertson, High School Principal Cody Proctor, K-8 Principal Nancy Odren

PLEDGE OF ALLEGIANCE

The pledge of allegiance was recited.

APPROVAL OF MINUTES

Hearing no objections or corrections, President Scott Mathewson approved the minutes of the regular meeting of August 19, 2024

Ayes: All Motion carried

MANIFEST OF BILLS – ALL FUNDS

Motion was made by Campbell and supported by Claeys to approve the Manifest of Bills – All Funds in the amount of \$1,075,064.87.

Ayes: All Motion carried

CORRESPONDENCE

None

BOARD INFORMATION REPORT

Dr. Tina Keer and Mrs. Chelsey Martine of MASA and Dr. Glen Malyeko, Dearborn Public Schools presented Superintendent Xenakis-Makowski her gavel as the newly elected President of MASA.

Derek Graham of UHY presented the 6.30.2024 audit.

COMMITTEE REPORTS

Finance

The finance committee met to discuss a new wage scale for ESP members as well as changes to sub rates to make the district more competitive in our area.

Principals

Mr. Proctor discussed the completion of Fall NWEA testing. Pupil counts in the high school are down as of now and Mr. Proctor is looking at what students are no longer attending the High School. Set up of the Special Education Resource Room is ongoing with Mrs. Odren and the teaching staff.

Mrs. Odren and Mrs. Robertson also reported an overall decrease in student enrollment. Both buildings are seeing new enrollments but not enough to offset the large families that have moved away. Johannesburg K-8 is at 350 and Lewiston K-5 is at 156. Preschool is currently at 18 enrollees with an additional two enrollments pending. Transportation for preschool is being provided but only from the Lewiston building to the Johannesburg building. This is assisting Lewiston families since we did not open a Lewiston Preschool at this time.

Superintendent

Mrs. Makowski provided an update on the Bond projects. Jason continues to investigate the septic smell from the new boiler in the admin office hallway. McArthur has contacted his attorney, both Wolgast and the District are waiting to receive notice in writing. Upcoming calendar includes small and rural group, and an FCC visit regarding USF funding.

PUBLIC COMMENTS

None

ITEMS FOR ACTION

2023-2024 Audit

Motion was made by Campbell and supported by Claeys to approve the audit as presented.

Ayes: All Motion carried

Contract Addendums

Motion was made by Claeys and supported by Kussrow to approve the contract adjustments for C.Kiercczynski, G. Robertson, D. Serba, and K. Xenakis-Makowski

Ayes: All Motion carried

Human Resources Report

Motion was made by Vogt and supported by Huston to approve the Human Resources Report as presented.

Resignations

- Kim Marlatt, Varsity Softball Coach
- Lisa Wojtkowiak, Concessions Coordinator
- Angela Munroe, Non-Instructional/Office Aide - Lewiston

New Hires

- Amber Cochell, Instructional/Non-Instructional Aide – Johannesburg
- Jacqueline Spicer, Instructional/Non-Instructional Aide – Johannesburg
- Nathan Johnson, Instructional/Non-Instructional Aide – Lewiston
- Lisa Lester, Full time Bus Driver
- Kathleen Moran, GSRP Preschool Teacher Assistant
- Theresa Springer, Instructional/Non-Instructional Aide – Lewiston

Terminations

- Elizabeth Madonna, Instructional/Non-Instructional Aide – Johannesburg

Leave Requests

- Shelby Curtiss, MS Boys Basketball Coach -one year leave of absences (24-25 season)

Ayes: All Motion carried

Bond Resolution

**JOHANNESBURG-LEWISTON AREA SCHOOLS
RESOLUTION AUTHORIZING THE ISSUANCE
AND DELEGATING THE SALE OF BONDS
AND OTHER MATTERS RELATING THERETO**

Johannesburg-Lewiston Area Schools, Otsego, Montmorency and Oscoda Counties, Michigan (the “Issuer”)

A regular meeting of the board of education of the Issuer (the “Board”) was held in the Johannesburg High School Library, within the boundaries of the Issuer, on the 16th day of September, 2024, at 6 o’clock in the p.m. (the “Meeting”).

The Meeting was called to order by Scott Mathewson, President.

Present: Members Campbell, Claeys, Huston, Kussrow, Mathewson, Owens

Absent: Members Vogt

The following preamble and resolution were offered by Member Campbell and supported by Member Kussrow:

WHEREAS:

1. On November 3, 2020, the qualified electors of the Issuer voted in favor of bonding the Issuer for the sum of not to exceed Twenty-One Million Nine Hundred Thousand Dollars (\$21,900,000), the proceeds to be used for the purpose of remodeling, furnishing and refurnishing, and equipping and re-equipping school buildings; erecting and equipping a new storage building; purchasing school buses; acquiring and installing instructional technology in school buildings; preparing, developing, improving, and equipping athletic fields and sites; and erecting, furnishing, and equipping a new performing arts center, fitness center, and fieldhouse addition to the High School (the “Project”); and

2. It has been determined by the Board of the Issuer that there be issued at this time bonds in an aggregate principal amount not to exceed One Million Dollars (\$1,000,000); and

3. The Issuer may have the opportunity to directly or privately place the bonds with a sophisticated investor or commercial bank (the “Purchaser”); and

4. The Issuer has received a recommendation from PFM Financial Advisors LLC (the “Financial Advisor”) regarding the private placement of the bonds; and

5. As an alternative to a private placement, the Board desires to authorize the bonds to be sold pursuant to a competitive sale; and

6. Prior to the issuance of bonds, the Issuer must either achieve qualified status or secure prior approval of the bonds from the Michigan Department of Treasury (the “Department of Treasury”) pursuant to Act 34, Public Acts of Michigan, 2001, as amended.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The second and final series of Bonds of the Issuer aggregating the principal sum of not to exceed One Million Dollars (\$1,000,000) be issued for the purpose of paying a part of the cost of the Project. The Bonds shall be designated 2024 or 2025 School Building and Site Bonds, Series II (General Obligation – Unlimited Tax) (the “Bonds”).

2. The Bonds shall be dated the date of delivery, or such other date as established at the time of sale; shall be fully registered bonds as to principal and interest; shall be numbered consecutively in the direct order of maturity from 1 upwards; and shall bear interest at a rate or rates to be hereafter determined not exceeding the maximum rate permitted by law.

3. The Bonds may consist of serial or term Bonds or any combination thereof which may be issued in one or more series, all of which shall be determined upon sale of the Bonds. The Bonds are issuable in minimum denominations of \$100,000 and multiples of \$5,000 over \$100,000, not exceeding the aggregate principal amount for each maturity, and shall mature on May 1 in each year, in the final principal amounts determined upon sale, with interest thereon payable on November 1, 2025, or such other date as may be established at the time of sale, and semiannually thereafter on May 1 or November 1 in each year. If the Bonds are sold pursuant to a competitive sale described in paragraph 14 below, then the Bonds may be issued in denominations of \$5,000 or any integral multiple thereof.

4. The Bonds shall not be subject to redemption prior to maturity at the option of the Issuer.

5. The Bonds and the interest thereon shall be payable in lawful money of the United States of America at or by a bank or trust company to be designated by the Superintendent or the Director of Finance of the Issuer (each an “Authorized Officer”) at the time of sale (herein called the “Paying Agent”), which shall act as the paying agent and bond registrar or such successor paying agent-bond registrar as may be approved by the Issuer, on each semiannual interest payment date and the date of each principal maturity.

6. Book Entry. At the request of the Purchaser, the ownership of one fully registered bond for each maturity in the aggregate principal amount of such maturity shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”). So long as the Bonds are in the book entry form only, the Paying Agent shall comply with the terms of the Blanket Issuer Letter of Representations to be entered into between the Issuer and DTC, which provisions shall govern registration, notices and payment, among other things, and which provisions are incorporated herein with the same effect as if fully set forth herein. An Authorized Officer is authorized and directed to enter into the Blanket Issuer Letter of Representations with DTC in such form as determined by an Authorized Officer, in consultation with bond counsel, to be necessary and appropriate. In the event the Issuer determines that the continuation of the system of book entry only transfer through DTC (or a successor securities depository) is not in the best interest of the DTC participants, beneficial owners of the Bonds, or the Issuer, the Issuer will notify the Paying Agent, whereupon the Paying Agent will notify DTC of the availability through DTC of the bond certificates. In such event, the Issuer shall issue and the Paying Agent shall transfer and exchange Bonds as requested by DTC of like principal amount, series and maturity, in authorized

denominations to the identifiable beneficial owners in replacement of the beneficial interest of such beneficial owners in the Bonds, as provided herein.

So long as the book-entry-only system remains in effect, in the event of a partial redemption the Paying Agent will give notice to Cede & Co., as nominee of DTC, only, and only Cede & Co. will be deemed to be a holder of the Bonds. DTC is expected to reduce the credit balances of the applicable DTC Participants in respect of the Bonds and in turn the DTC Participants are expected to select those Beneficial Owners whose ownership interests are to be extinguished or reduced by such partial redemptions, each by such method as DTC or such DTC Participants, as the case may be, deems fair and appropriate in its sole discretion.

7. In the event the Bonds are no longer in book entry form only, the following provisions would apply to the Bonds:

The Paying Agent shall keep or cause to be kept, at its principal office, sufficient books for the registration and transfer of the Bonds, which shall at all times during normal business hours be open to inspection by the Issuer; and, upon presentation and surrender for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, transfer or cause to be transferred on said books, Bonds as herein provided.

Any Bond may be transferred upon the books required to be kept pursuant to this section by the person in whose name it is registered, in person or by a duly authorized agent, upon surrender of the Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent. Whenever any Bond or Bonds shall be surrendered for transfer, the Issuer shall furnish or cause to be furnished a sufficient number of manual or facsimile executed Bonds and the Paying Agent shall authenticate and deliver a new Bond or Bonds for like aggregate principal amount. The Paying Agent shall require the payment of any tax or other governmental charge required to be paid with respect to the transfer to be made by the bondholder requesting the transfer.

8. If any Bond shall become mutilated, the Issuer, at the expense of the holder of the Bonds, shall furnish or cause to be furnished, and the Paying Agent shall authenticate and deliver, a new Bond of like tenor in exchange and substitution of the mutilated Bond, upon surrender to the Paying Agent of the mutilated Bond. If any Bond issued under this resolution shall be lost, destroyed or stolen, evidence of the loss, destruction or theft and indemnity may be submitted to the Paying Agent, and if satisfactory to the Paying Agent and the Issuer, the Issuer at the expense of the owner, shall furnish or cause to be furnished, and the Paying Agent shall authenticate and deliver a new Bond of like tenor and bearing the statement required by Act 354, Public Acts of Michigan, 1972, as amended, being sections 129.131 to 129.134, inclusive, of the Michigan Compiled Laws, or any applicable law hereafter enacted, in lieu of and in substitution of the Bond so lost, destroyed or stolen. If any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond, the Paying Agent may pay the same without surrender thereof.

9. The President and Secretary are authorized to provide the Bonds in conformity with the specifications of this resolution by causing their manual or facsimile signatures to be affixed thereto, and upon the manual execution by the authorized signatory of the Paying Agent, the Treasurer is authorized and directed to cause said Bonds to be delivered to the Purchaser upon receipt of the purchase price and accrued interest, if any.

Blank Bonds with the manual or facsimile signatures of the President and Secretary affixed thereto, shall, at the direction of bond counsel and as necessary, be delivered to the Paying Agent for safekeeping to be used for registration and transfer of ownership.

10. There is hereby created a separate depository account to be kept with a bank located in the State of Michigan and insured by the Federal Deposit Insurance Corporation, previously approved as an authorized depository of funds of the Issuer, to be designated 2024 or 2025 SCHOOL BOND DEBT RETIREMENT FUND (hereinafter referred to as the “DEBT RETIREMENT FUND”), all proceeds from taxes levied for the fund to be used for the purpose of paying the principal and interest on the Bonds authorized herein as they mature or are redeemed. Upon receipt of the Bond proceeds from the sale of the Bonds, the accrued interest, if any, shall be deposited in the DEBT RETIREMENT FUND. DEBT RETIREMENT FUND moneys may be invested as authorized by law.

Commencing with the 2024 or 2025 tax levy, there shall be levied upon the tax rolls of the Issuer in each year for the purpose of the DEBT RETIREMENT FUND a sum not less than the amount estimated to be sufficient to pay the principal and interest on the Bonds as such principal and interest fall due, the probable delinquency in collections and funds on hand being taken into consideration in arriving at the estimate. Taxes required to be levied to meet the principal and interest obligations may be without limitation as to rate or amount, as provided by Article IX, Section 6, of the Michigan Constitution of 1963.

11. There is hereby created a separate account to be designated 2024 or 2025 CAPITAL PROJECTS FUND, to which the proceeds of the Bond issue are to be credited.

12. The Bonds shall be in substantially the form attached hereto as Exhibit A.

13. An Authorized Officer is authorized to pursue, negotiate and select a sophisticated investor or commercial bank for a private placement of the Bonds, subject to the requirements of paragraph 17 below. An Authorized Officer is authorized to execute any documents or agreements necessary to evidence or consummate the private placement in accordance with the provisions of this resolution. Based upon information provided by the Issuer’s Financial Advisor, a negotiated sale allows flexibility in the timing, sale and structure of the Bonds in response to changing market conditions.

14. Upon the recommendation of the Issuer’s Financial Advisor, an Authorized Officer is authorized to sell and issue the Bonds pursuant to a competitive sale. If an Authorized Officer so determines to sell and issue the Bonds pursuant to a competitive sale:

- a. An Authorized Officer, the Board Secretary, or a designee thereof, is authorized and ordered to publish notice of sale of the Bonds herein authorized in a publication printed in the English language and circulated in this state, which carries as a part of its regular service the notices of the sale of municipal bonds/notes and which has been approved by the Department of Treasury, pursuant to Act 34, as a publication complying with the qualifications provided in said section, which notice of sale shall contain provisions and requirement consistent with the provisions of this resolution. The notice of sale shall be substantially in the form attached hereto as

Exhibit B, with such modifications as may be necessary as determined by an Authorized Officer.

- b. An Authorized Officer is authorized, if deemed advisable by the Issuer's Financial Advisor, to request a waiver of the Department of Treasury's requirement that ratings be obtained from a nationally recognized ratings agency.
- c. An Authorized Officer is authorized to approve the circulation of a Preliminary Official Statement describing the Bonds, and approve and deliver a final Official Statement on behalf of the Issuer.
- d. The Bonds shall be issued in denominations of \$5,000 or integral multiples thereof, or such other denomination(s) as determined by an Authorized Officer.
- e. An Authorized Officer is authorized to execute and deliver the Continuing Disclosure Agreement (the "Agreement") in substantially the same form as set forth in Exhibit C attached hereto, or with such changes therein as the individual executing the Agreement on behalf of the Issuer shall approve, their execution thereof to constitute conclusive evidence of their approval of such changes. When the Agreement is executed and delivered on behalf of the Issuer as herein provided, the Agreement will be binding on the Issuer and the officers, employees and agents of the Issuer, and the officers, employees and agents of the Issuer are authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Agreement as executed, and the Agreement shall constitute, and is made, a part of this Resolution, and copies of the Agreement shall be placed in the official records of the Issuer, and shall be available for public inspection at the office of the Issuer. Notwithstanding any other provision of this Resolution, the sole remedies for failure to comply with the Agreement shall be the ability of any Bondholder or beneficial owner to take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under the Agreement.
- f. An Authorized Officer is authorized, upon receipt of an express written recommendation of the Issuer's Financial Advisor, to award the sale of the Bonds, approve the winning bidder and approve the interest rate(s) and final principal amounts of the Bonds in accordance with the notice of sale and subject to the parameters established in this resolution, including that: (1) the true interest cost for the Bonds shall not exceed five and five tenths percent (5.5%) per annum; (2) the interest on any one Bond shall be at one rate only, and all Bonds maturing in any one year must carry the same interest rate; (3) the difference between the highest and lowest interest rates on the Bonds shall not exceed three percent (3%) per annum; (4) no bid will

be considered for a price less than 99% or greater than 115% of the par value; and (5) the bond term not exceed seven (7) years.

15. An Authorized Officer is authorized to approve circulation of a Preliminary Official Statement or Marketing Bulletin, as necessary, describing the Bonds.

16. An Authorized Officer, or designee if permitted by law, is authorized to:

- A. File with the Department of Treasury an application for approval to issue the Bonds, if required, and to pay any applicable fee therefor and, further, within fifteen (15) business days after issuance of the Bonds, file any and all documentation required subsequent to the issuance of the Bonds, together with any statutorily required fee.
- B. Make application for municipal bond insurance if, upon advice of the Issuer's Financial Advisor, the purchase of municipal bond insurance will be cost effective. The premium for such bond insurance shall be paid by the Issuer from Bond proceeds.

17. The authorization to make a direct placement of the Bonds is subject to the following parameters:

- A. the average true interest cost rate on the Bonds shall not exceed 5.5%; and
- B. the bond term shall not exceed seven (7) years; and
- C. the receipt of express written recommendation of the Issuer's Financial Advisor to accept the terms of the bond purchase and/or placement agreement.

18. An Authorized Officer is further authorized and directed to (i) appoint a paying agent for the Bonds; (ii) select a bond insurer, accept a commitment therefore and authorize payment of a bond insurance premium to insure any or all of the Bonds if recommended in writing by the Financial Advisor; (iii) if required, deem a Preliminary Official Statement for the Bonds final for purposes of SEC Rule 15c2-12(b)(1); and (iv) if required, execute and deliver a final Official Statement on behalf of the Issuer.

19. The President or Vice President, the Secretary, the Treasurer, the Superintendent, the Director of Finance, and/or all other officers, agents and representatives of the Issuer and each of them shall execute, issue and deliver any certificates, statements, warranties, representations, or documents necessary to effect the purposes of this resolution, the Bonds, or the bond purchase and/or placement agreement.

20. The officers, agents and employees of the Issuer are authorized to take all other actions necessary and convenient to facilitate the sale and delivery of the Bonds.

21. Thrun Law Firm, P.C., is appointed as bond counsel for the Issuer with reference to the issuance of the Bonds authorized by this resolution. Further, Thrun Law Firm, P.C., has informed this Board that it represents no other party in the issuance of the Bonds.

22. The financial consulting firm of PFM Financial Advisors LLC, is appointed as Financial Advisor to the Issuer with reference to the issuance of the Bonds herein authorized.

23. The Board covenants to comply with existing provisions of the Internal Revenue Code of 1986, as amended (the "Code"), necessary to maintain the exclusion of interest on the Bonds from gross income.

24. The Issuer designates the Bonds of this issue as "qualified tax-exempt obligations" for purposes of deduction of interest expense by financial institutions under the provisions of the Code. In making said designation, the Board determines that the reasonably anticipated amount of tax-exempt obligations which will be issued by the Issuer or entities which issue obligations on behalf of the Issuer during calendar year 2024 or 2025 will not exceed \$10,000,000, excluding only those tax-exempt obligations as permitted by Section 265(b)(3)(C)(ii) of the Code.

25. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are hereby rescinded.

Ayes: Members Campbell, Claeys, Kussrow, Mathewson, Owens

Nays: Members

Resolution declared adopted.

Secretary, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of Johannesburg-Lewiston Area Schools, Otsego, Montmorency and Oscoda Counties, Michigan, hereby certifies that the foregoing constitutes a true and complete copy of a resolution adopted by the Board at the Meeting, the original of which is part of the Board's minutes. The undersigned further certifies that notice of the Meeting was given to the public pursuant to the provisions of the Open Meetings Act (Act 267, Public Acts of Michigan, 1976, as amended).

Secretary, Board of Education

FGH/keh

Ayes: All

Motion carried

JLESPA Salary Schedule

Motion was made by Claeys and supported by Huston to approve the new JLESPA salary schedule as presented.

Ayes: All

Motion carried

Overnight Trip Request

Motion was made by Kussrow and supported by Huston to approve the Cross-Country teams' overnight trip request for the Portage Invitational as presented.

Ayes: All

Motion carried

DISCUSSION ITEMS

None

ADJOURNMENT

Motion was made by Claeys and supported by Kussrow to adjourn the regular meeting at 6:50 pm.

Ayes: All

Motion carried

Scott Mathewson, President

Wendy Huston, Secretary

Submitted by Kristan Lawes for Wendy Huston, Board Secretary