

CHIPPEWA VALLEY SCHOOLS  
19120 Cass Avenue  
Clinton Township, MI 48038  
586-723-2000

Regular Meeting  
Administration Building

June 16, 2014  
6:30 p.m.

- A. Call to order and Pledge of Allegiance
- B. Additions/Deletions
- C. Breakfast Program Hearing
- D. Budget Hearing
- E. Recognition/Presentations
  - Vic Patrone – Dakota High School Police Liaison
- F. From the Community
- G.
  - 1. General Consent Agenda
    - a. Approve minutes of:
      - Regular Meeting held on June 06, 2014  
(minutes are posted on the district website@ chippewavalleyschools.org)
    - b. Approve Financial Reports
    - c. Personnel Transactions
- H. Old Business
- I. New Business
  - 1. Approve Change Order Summary Report – May 2014
  - 2. Approve 2014/2015 Breakfast Program
  - 3. Approve Breakfast and Lunch Prices for 2014/2015
  - 4. Approve 2014/2015 Appropriation Act for General and Special Revenue Funds
  - 5. Resolution to Approve Workers Compensation Excess Insurance Provider
  - 6. Approve GASB 54 Resolution
  - 7. Approve Year-End Accounting Procedures
  - 8. Approve School Lunch Pizza Group 1
  - 9. Approve Purchase and Installation of Playground Mulch
  - 10. Approve Purchase of Computer Systems for the IAM
- J. Union Communication
- K. Administration Reports
- L. Curriculum Updates
- M. Of and by Board Members
- N. Executive Session (8.a.To consider the dismissal, suspension, or disciplining of, or to hear complaints or charges brought against, or to consider a periodic personnel evaluation....)
- O. Adjournment

Mr. Sederlund  
Mr. Sederlund  
Mr. Sederlund  
Mr. Sederlund  
Mr. Sederlund  
Mr. Sederlund  
Mr. Sederlund  
Mr. Sederlund  
Mr. Sederlund  
Mr. Sederlund

**Future Meetings**

July 14, 2014  
July 14, 2014  
July 21, 2014

6:30 p.m.  
6:30 p.m.  
6:30 p.m.

Organizational Meeting  
Regular Meeting  
Regular Meeting

- A. Call to order and Pledge of Allegiance
  
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H. Old Business

I. New Business

- |     |   |               |
|-----|---|---------------|
| 1.  | Approve Change Order Summary Report – May 2014                            | Mr. Sederlund |
| 2.  | Approve 2014/2015 Breakfast Program                                       | Mr. Sederlund |
| 3.  | Approve Breakfast and Lunch Prices for 2014/2015                          | Mr. Sederlund |
| 4.  | Approve 2014/2015 Appropriation Act for General and Special Revenue Funds | Mr. Sederlund |
| 5.  | Resolution to Approve Workers Compensation Excess Insurance Provider      | Mr. Sederlund |
| 6.  | Approve GASB 54 Resolution  | Mr. Sederlund |
| 7.  | Approve Year-End Accounting Procedures                                    | Mr. Sederlund |
| 8.  | Approve School Lunch Pizza Group 1  | Mr. Sederlund |
| 9.  | Approve Purchase and Installation of Playground Mulch                     | Mr. Sederlund |
| 10. | Approve Purchase of Computer Systems for the IAM                          | Mr. Sederlund |

REGULAR MEETING

June 16, 2014  
6:30 p.m.

**MEMORANDUM**

**I.1 Approve Change Order Summary Report – May 2014**

**Mr. Sederlund**

RECOMMENDED MOTION: “That the Chippewa Valley Schools Board of Education approve the 2010 Bond Issue change order summary report for the month of May 2014.”

RATIONALE: This work consists of changes to existing contracts for the purpose of Owner requested work, deducts, code compliance, or hidden conditions on the construction projects. All amounts are within the contingency budget allocation.

This report was reviewed with the Building and Site Sub-Committee on Monday, June 2, 2014 and funding will come from the 2010 Building & Site Funds.

**MEMORANDUM**

**I.2 Approve 2014/2015 Breakfast Program**

**Mr. Sederlund**

**RECOMMENDED MOTION:** “That the Chippewa Valley Schools Board of Education approve the Breakfast Program for the 2014/2015 school year as follows:”

*Buildings with Free/Reduced applications totaling less than 20% of enrollment in October 2013 be exempt from offering a breakfast program that is in compliance with applicable regulations in 2014/2015. Buildings with applications totaling more than 20% of enrollment in October 2013 that are mandated to offer a breakfast program in 2014/2015 are Clinton Valley Elementary, Cherokee Elementary, Fox Elementary, Huron Elementary, Miami Elementary, Ojibwa Elementary, Ottawa Elementary, Erie Elementary, Algonquin, Wyandot Middle Schools.*

**RATIONALE:** *School districts are mandated to offer a breakfast program that is in compliance with USDA and State of Michigan regulations in all buildings unless the district determines after conducting a public hearing to not offer the breakfast program in buildings where free and reduced price applications total less than 20% of building enrollment. Chippewa Valley Schools has not offered the mandated breakfast program in buildings with less than the 20% criteria because of projected low participation, which makes the program not economically feasible. Note: Iroquois Middle School will not offer breakfast. It did not qualify with 20% of enrollment in October 2013.*

**MEMORANDUM****I.3 Approve Breakfast and Lunch Prices for 2014/2015****Mr. Sederlund**

RECOMMENDED MOTION: "That the Chippewa Valley Schools Board of Education approve Breakfast and Lunch prices effective for the 2014/2015 school year as follows:"

<b>Level</b>	<b>Breakfast</b>	<b>Reduced</b>	<b>Lunch</b>	<b>Reduced</b>	<b>Milk</b>
Elementary	\$1.55	\$0.30	\$2.75	\$0.40	\$0.60
Middle	\$1.55	\$0.30	\$3.00	\$0.40	\$0.60
High	\$1.55	\$0.30	\$3.00	\$0.40	\$0.60
Adult		X	\$4.50	X	X

RATIONALE:  
in 2013/2014.

The above prices are the same as they were

## MEMORANDUM

**I.4 Approve 2014/2015 Appropriation Act for General and Special Revenue Funds Mr. Sederlund**

RECOMMENDED MOTION: "That the Chippewa Valley Schools Board of Education adopt the following resolution to approve the General Fund, Food Service Fund, Building Activities Fund, and Macomb International Academy budgets for the 2014/2015 fiscal year. Further request that the reading of the resolution be waived."

RESOLVED, that this resolution shall be the General Fund Appropriation Act of Chippewa Valley Schools for fiscal year 2014/2015 to provide for the expenditure of the appropriation; and to provide for the disposition of income received by Chippewa Valley Schools.

BE IT FURTHER RESOLVED that the total revenues and fund balance estimated to be available for appropriations in the General Fund of the Chippewa Valley Schools for the fiscal year 2014/2015 be adopted as follows:

Revenue	
Local	\$18,989,361
State	121,877,572
Federal	5,954,300
Transfers & Others	592,008
Total Revenue	\$147,413,241
Estimated Fund Balance July 1, 2014	\$17,768,900
Total Available to Appropriate	\$165,182,141

BE IT FURTHER RESOLVED, that \$146,421,631 of the total available to appropriate in the General Fund is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures	
Instruction	
Basic Programs	\$78,643,144
Added Needs	15,540,915
Adult and Continuing Education	165,882

Support Services	
Pupil	12,962,685
Instructional Staff	4,602,565
General Administration	754,436
School Administration	9,495,454
Business	2,125,505
Operations & Maintenance	10,350,039
Transportation	4,330,608
Central	3,207,294
Other Support (Athletics, CTE)	2,201,909
Community Services	1,041,643
Outgoing Transfers & Other	999,552
Total Appropriated	\$146,421,631
Estimated Fund Balance June 30, 2015	\$18,760,510

BE IT FURTHER RESOLVED, that the revenue from the millage levy of 18.000 mills on non-homestead and non-qualified agricultural property be certified and be used towards the District's 2014/2015 operating expenditures. As provided by in the Act related to the Michigan Business Tax, Personal Industrial Property is exempt from the 18 mills and Personal Commercial Property is exempt from 12 of the 18 mills.

RESOLVED, that this resolution shall be the Food Service Appropriation Act of Chippewa Valley Schools for fiscal year 2014/2015 to provide for the expenditure of the appropriation; and to provide for the disposition of income received by Chippewa Valley Schools.

BE IT FURTHER RESOLVED that the total revenues and fund balance estimated to be available for appropriations in the Food Service Fund of the Chippewa Valley Schools for the fiscal year 2014/2015 be as follows:

Revenue	
Local	\$2,063,100
State	145,000
Federal	1,660,000
Transfers & Other	0
Total Revenue	\$3,868,100
Estimated Fund Balance July 1, 2014	\$723,534
Total Available to Appropriate	\$4,591,634

BE IT FURTHER RESOLVED, that \$3,781,360 of the total available to appropriate in the Food Service Fund is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures	
Wages	\$1,141,000
Employee Benefits	646,860
Food Purchases	1,525,000
Other	362,500
Capital Outlay	6,000
Outgoing Transfers	100,000
Total Appropriated	\$3,781,360
Estimated Fund Balance June 30, 2015	\$810,274

RESOLVED, that this resolution shall be the Building Activities Fund Appropriation Act of Chippewa Valley Schools for fiscal year 2014/2015 to provide for the expenditure of the appropriation; and to provide for the disposition of income received by Chippewa Valley Schools.

BE IT FURTHER RESOLVED that the total revenues and fund balance estimated to be available for appropriations in the Building Activities Fund of the Chippewa Valley Schools for the fiscal year 2014/2015 be adopted as follows:

Revenue	
Local	\$2,010,000
State	0
Federal	0
Transfers & Other	0
Total Revenue	\$2,010,000
Estimated Fund Balance July 1, 2014	\$434,897
Total Available to Appropriate	\$2,444,897

BE IT FURTHER RESOLVED that \$2,010,000 of the total available to appropriate in the Building Activities Fund is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures	
Building Activities	\$2,010,000
Total Appropriated	2,010,000
Estimated Fund Balance June 30, 2015	\$434,897

RESOLVED, that this resolution shall be the International Academy of Macomb Fund Appropriation Act of Chippewa Valley Schools for fiscal year 2014/2015 to provide for the expenditure of the appropriation; and to provide for the disposition of income received by Chippewa Valley Schools.

BE IT FURTHER RESOLVED that the total revenues and fund balance estimated to be available for appropriations in the International Academy of Macomb Fund of the Chippewa Valley Schools for the fiscal year 2014/2015 be adopted as follows:

Revenue	
Local	\$0
State	0
Federal	0
Incoming Transfers & Fund Modifications	\$4,164,194
Total Revenue	\$4,164,194
Estimated Fund Balance July 1, 2014	\$2,127,528
Total Available to Appropriate	\$6,291,722

BE IT FURTHER RESOLVED that \$5,441,254 of the total available to appropriate in the International Academy of Macomb Fund is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures	
Basic Instruction	\$337,000
Support Services	264,200
Payments to Other Schools	4,348,046
Fund Modifications	492,008

Total Appropriated  
\$5,441,254

Estimated Fund Balance June 30, 2015 \$  
850,468

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 any funds except pursuant to appropriations made by the Board of Education and in keeping with the budgetary policy statement hitherto adopted by the Board. Changes in the amount appropriated by the Board shall require approval by the Board.

BE IT FURTHER RESOLVED, that the Superintendent and his designee are hereby charged with general supervision of the execution of the budget adopted by the Board and shall hold the department heads responsible for performance of their responsibilities within the amount appropriated by the Board of Education and in keeping with the budgetary policy statement hitherto adopted by the Board.

BE IT FURTHER RESOLVED, that 8.64 mills be certified for levy on all property in the district for the purpose of retiring principal and interest on the voted debt of the district.

This appropriation act resolution is to take effect on July 1, 2014.

**RATIONALE:** The Uniform Budgeting and Accounting Act requires that governmental units including school districts adopt a budget prior to the start of the fiscal year. The 2014-15 budgets for the General Fund, Food Service Fund, Building Activities Fund, and the Macomb International Academy Fund have been prepared by the administration.

The revenue budget for the General Fund has been developed using major factors including:

1. a flat enrollment projection,
2. an increase in the foundation allowance of \$50 per pupil,
3. an equity payment of \$125 per pupil,
4. continuation of the MPSERS Cost Offset funding of \$66 per pupil,
5. best practice funding of \$50 per pupil (a reduction of \$2 per student but with different criteria),
6. continued funding of \$40 per pupil for student performance benchmark,
7. recording of retirement offset revenue funding – section 147c funding, and
8. review and adjustment of other items as appropriate (removes several one-time funding amounts included in prior year budget).

The expenditure budget for the General Fund has been developed using major factors including:

1. impact of settled employee group contracts (2014-15 is the second year of a three year settlement),
2. impact of change to hard cap under PA 152 for health insurance benefits,
3. impact of retirement contribution increasing from 24.79% to 25.78%,
4. recording of retirement offset expenditure funding – section 147c funding, and
5. review and adjustment of other items as appropriate.

In summary, we have projected revenues of \$147.4 million and projected expenditures of \$146.4 million for an operating surplus of \$1.0 million.

**MEMORANDUM**

**I.5 Resolution to Approve Workers Compensation Excess Insurance Provider**

**Mr. Sederlund**

RECOMMENDED MOTION: “That the Chippewa Valley Schools Board of Education approve Midwest Employers Casualty Company to provide excess insurance coverage for the 2014/15 and 2015/16 period on the Chippewa Valley Schools self-insured workers compensation program and that the Assistant Superintendent for Business and Operations be authorized to execute documents.”

RATIONALE: The current one-year agreement with Safety National Casualty Corporation to provide excess insurance coverage on our self-insured worker compensation program ends on June 30, 2014. For 2014/15 a one year excess insurance quote was received from Safety National Casualty Corporation and a one year and a two year quote was received from Midwest Employers Casualty Company with Midwest Employers Casualty Company providing lowest pricing. A summary of pricing is attached. Last year Citizens Management Inc. was approved to provide Third Party Administration services through June 30, 2016.

**MEMORANDUM**

**I.6 Approve GASB 54 Resolution**

**Mr. Sederlund**

**RECOMMENDED MOTION:** “That the Chippewa Valley Schools Board of Education adopt the following resolution approving compliance with GASB 54, designating “Commitment” of fund balance in compliance with GASB 54, and authorizing Assistant Superintendent of Business and Operation to make “Assignments” of fund balance in compliance with GASB 54. Further request that the reading of the resolution be waived.”

**RATIONALE:** GASB has issued new standards on how fund balance is to be classified and reported. The five new classifications replace the previous classifications of reserved and unreserved fund balance with sub classifications of either designated or undesignated under unreserved fund balance.

Adoption of the resolution identifies the considerations related to GASB 54, designates Commitment fund balance, and gives authorization for designating Assigned fund balance.

REGULAR MEETING

June 16, 2014  
6:30 p.m.

**MEMORANDUM**

**I.7 Approve Year-End Accounting Procedures**

**Mr. Sederlund**

RECOMMENDED MOTION: “That the Chippewa Valley Schools Board of Education authorize the Business Office to pay the June bills prior to the July Board of Education meeting approval to facilitate year-end accounting activities.”

RATIONALE: In order to facilitate the closing of the fiscal year, we request that the Business Office be given the authorization to pay and release bills prior to the July Board of Education meeting. This will allow the Business Office to release most 2013/14 checks prior to June 30, 2014 decreasing auditing time and the number of accounts payable entries.

This deviation from normal procedures is only requested at the close of the fiscal year.

REGULAR MEETING

June 16, 2014  
6:30 p.m.

**MEMORANDUM**

**I.8 Approve School Lunch Pizza Group 1**

**Mr. Sederlund**

RECOMMENDED MOTION: "That the Chippewa Valley Schools Board of Education approves Little Caesars for a one year contract, with an option to renew on an annual basis for 4 additional years, in the approximate annual amount of \$68,733 for Group 1 Schools' pizza delivery through the national school lunch program."

RATIONALE: Aggressive pricing was obtained through the public bidding process RFB # 1.1415.

The proposals were reviewed and approved by the Food Service and Purchasing Offices. Funding will come from the Food Service Fund.

REGULAR MEETING

June 16, 2014  
6:30 p.m.

**MEMORANDUM**

**I.9 Approve Purchase and Installation of Playground Mulch Mr. Sederlund**

RECOMMENDED MOTION: “That the Chippewa Valley Schools Board of Education approve the low bidder, Superior Groundcover, for purchase and installation of playground mulch in the total amount of \$55,613.25.”

RATIONALE: Aggressive pricing was obtained through the public bidding process RFB 6.1415.

The proposals were reviewed and approved by the Facility Operations and Purchasing Offices. Funding will come from the 2014-2015 General Fund budget for this purchase.

**MEMORANDUM**

**I.10 Approve Purchase of Computer Systems for the International Academy of Macomb Mr. Sederlund**

RECOMMENDED MOTION: "That the Chippewa Valley Schools Board of Education approve Netch Corporation for the purchase of 160 computer systems at the cost of \$127,568 for International Academy of Macomb."

RATIONALE: Aggressive pricing was obtained through the REMC Cooperative Bid.

The proposal was reviewed and approved by the Technology and Purchasing Offices. Funding will come from the Technology Readiness Infrastructure Grant for this purchase.

J. Union Communication

K. Administration Reports

L. Curriculum Updates

M. Of and by Board Members

N. Executive Session (8.a.To consider the dismissal, suspension, or disciplining of, or to hear complaints or charges brought against, or to consider a periodic personnel evaluation....)

O. Adjournment