

LITTLE MIAMI LOCAL SCHOOL DISTRICT
BOARD OF EDUCATION
REGULAR MEETING
OCTOBER 16, 2012
7 P.M.

The Board of Education of the Little Miami Local School District, Warren County, Ohio met in regular session on Oct. 16, 2012 at 7 p.m. in the auditorium of Little Miami High School, 3001 U.S. 22-3, Morrow, OH 45152.

Call to Order and Roll Call

Mrs. Grice called the meeting to order at 7 p.m.

ROLL CALL:

Mrs. Grice	Present
Mr. Cremeans	Present
Mrs. Black	Present
Ms. Journeyay	Present
Mr. Haas	Present

Others in attendance were: Mr. Greg Power; Mr. Terry Gonda; Mrs. Pam Coates; Mrs. Melinda Briggs, Mrs. Marci Goodrich, Mr. Travis Showers, Mrs. Regina Morgan, Mr. Gene Blake, Mrs. Connie Combs, Mrs. Nona Cress.

Resolution 12-170 Amend and Adopt the Agenda

Mrs. Black moved and Mr. Cremeans seconded a motion to amend and adopt the agenda, adding two executive sessions to the agenda.

ROLL CALL VOTE:

Mr. Cremeans	Yes
Mrs. Black	Yes
Ms. Journeyay	Yes
Mr. Haas	Yes
Mrs. Grice	Yes

MOTION CARRIED

Resolution 12-171 Reading of Minutes

Mr. Haas moved and Mr. Cremeans seconded a motion to approve the minutes from the Sept. 18, 2012 regular meeting and the Sept. 27, 2012 work session.

ROLL CALL VOTE:

Mrs. Black	Yes
Ms. Journeyay	Yes
Mr. Haas	Yes
Mrs. Grice	Yes

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Mr. Cremeans

Yes

MOTION CARRIED

Resolution 12-172 Executive Session

Mr. Cremeans moved and Mrs. Black seconded a motion to enter into executive session to consider the employment of a public employee.

Ms. Journeay

Yes

Mr. Haas

Yes

Mrs. Grice

Yes

Mr. Cremeans

Yes

Mrs. Black

Yes

The Board entered into executive session at 7:05 p.m.

Resolution 12-173 Return to Regular Session

Mr. Haas moved and Mrs. Black seconded a motion to return to regular session.

Mr. Haas

Yes

Mrs. Grice

Yes

Mr. Cremeans

Yes

Mrs. Black

Yes

Ms. Journeay

Yes

The Board returned to regular session at 7:35 p.m.

Communications and/or Visitors to the Board

Mr. Power gave the Board an enrollment update. He said enrollment is currently at 3,949 students, which is an increase of 126 students over last year. He also said that a number of students have open-enrolled into the Little Miami district, resulting in \$302,000 in additional state monies coming into the district.

Mr. Power also presented information about the possible relocation of graduation ceremonies for the Class of 2013. He said that the near-rainout of the Class of 2012's ceremonies, coupled with the increasing costs of holding the ceremony at Hi-Five Field, caused district personnel to research moving the exercises to an off-site indoor facility. After researching several locations, the Nutter Center at Wright State University provided adequate seating, free parking and a low price of around \$3,000.

Resolution 12-174 Relocation of Graduation 2013

Mrs. Grice moved and Ms. Journeay seconded a motion to approve moving graduation ceremonies for the Class of 2013 to the Nutter Center at Wright State University.

Mrs. Grice

Yes

Mr. Cremeans

Yes

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Mrs. Black	Yes
Ms. Journeyay	Yes
Mr. Haas	Yes

Mr. Power then shared information regarding the district's pending court case regarding the Miami Bluffs property transfer request. He said a paper hearing would be held in December.

Mr. Power then said that district administration was working with the Finance Council to complete a capital improvement plan that had been required of the district by the state oversight commission. Mr. Power said a master plan had been completed in 2008, but elements of that plan were no longer viable, and that the district was essentially starting from scratch. He let the Board know that the district would have a very difficult time presenting a quality plan under the constraints of the state commission's tight deadline.

Resolution 12-175 Financial Reports

Mr. Cremeans moved and Mrs. Black seconded a motion to approve the financial reports for September 2012.

ROLL CALL VOTE

Mr. Cremeans	Yes
Mrs. Black	Yes
Ms. Journeyay	Yes
Mr. Haas	Yes
Mrs. Grice	Yes

MOTION CARRIED

Resolution 12-176 Five-Year Forecast

Mrs. Grice moved and Mr. Haas seconded a motion to approve the Five-Year Forecast as presented and as on file with the Treasurer's office.

Five Year Forecast Footnotes/Assumptions

General Fund Only

Little Miami Local SD

Updated 10/11/12

Dear Reader,

The attached General Fund forecast is based upon years of historical data and a list of assumptions for revenues and expenditures for the five-year period July 1, 2012 through June 30, 2017. This forecast is adopted with the knowledge that it is a work-in progress and with the understanding that it has been adjusted for all relevant factors that the Board is aware of as of 10/11/12. The following revenue and expenditure assumptions are critical to the reader's understanding and use of this five-year forecast.

A series of assumptions were developed in order to arrive at the individual income and expense amounts presented. **These assumptions are based upon information known at the time the projections were developed and will lose some of their validity as we project further into the future.** Extra caution is urged when analyzing the out years of these fiscal projections. Because we are attempting to look four years into the future, several significant assumptions were made that have a significant impact on the bottom line. For example, we assumed a 0% base salary raises for all staff for each of the 5 years in the forecast. There were also revenue assumptions made regarding state funding. Little Miami received approximately 28% of its total revenues from the state's basic aid formula in FY2012 and are projecting approximately 25% for FY2013.

The state biennial budget (HB153) was adopted July 1, 2011 and will carry through June 30, 2013 (FY'12 and FY'13). For detailed information on HB153 please visit the Ohio Legislative Service Commission at www.lsc.state.oh.us/budget/default.htm. State funding will be discussed in more detail below.

In addition, assumptions are made with regard to changes in assessed property value (both real and personal tangible). The assumptions made with regard to state funding and property values significantly affect this forecast, and are made based on information known to the best of the district's knowledge as of 10/11/12.

As we look into the future and try to successfully manage the district's budget, we try to do so while knowing that some items in a school district's budget are controllable, while others are not. For example:

Non-Controllable Budget Variables:

Inflation

Student Enrollment

Judicial Actions

Legislative Actions

Other (Natural Disaster, etc.)

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Controllable Budget Variables:

Staffing Levels (Some Legislative Restrictions)

Salaries (Some Legislative Restrictions)

Program Offerings (Some Legislative Restrictions)

Transportation Services (Some Legislative Restrictions)

Discretionary Spending (Approximately 5% of Budget)

REVENUE ASSUMPTIONS:

REAL ESTATE VALUE ASSUMPTIONS:

Property values are established each year by the County Auditor based on new construction and property value reappraisals or updates. Due to the Triennial Update/Reappraisal, property values are reappraised every 6 years, with a valuation update being performed in the third year between each reappraisal. The Little Miami Local School District encompasses parts of two counties; Warren and Clermont, with the lion share of value coming from Warren County. Of the total property valuation of the district, Warren County property values account for approximately 99%.

The current economy is continuing to have a significant impact on the anticipated local tax revenues for the district. Historical property valuation increases are extremely different than what the district is projecting going forward. This difference is due to the downturn in economic climate from one or two years ago to today. A triennial update took place in calendar year 2009 for collection in calendar year 2010 in Warren County. The result was an 8.37% *decrease* in property valuation (compared with the last triennial update at a 13.7% *increase* in 2003). A property value reappraisal is currently taking place in Warren County for calendar year 2012 for collection in calendar year 2013. From current estimates the 2012 reappraisal is anticipated to result in a 4.5-5% decrease in property valuation (the reappraisals in 2000 and 2006 resulted in an average increase of 16.45%). In addition, new construction is anticipated to add only approximately 1% per year into the future. These expected valuation changes have been factored into the projection for district property values and the related property tax revenues.

For FY'13 the Tangible Personal Property Tax has been phased out. The phase out has occurred over the last few years. These funds are not expected to be received in the future. However, the number listed on the forecast for FY'13 and beyond for the Tangible Property Tax category is the Public Utility Personal Property Tax. Due to the way the tax is calculated with the district's millage it is being presented separate from the General Property Tax (Real Estate) category.

For tax year 2012 (collection year 2013), Little Miami Local SD has full voted operating revenue millage of 45.69 mills (includes the November 2011 emergency levy passage) on residential/agricultural and commercial/industrial property. However, due to the rollback effects of H.B. 920, the district is collecting property taxes for operating revenue at an effective rate of 36.1 mills. This rate is higher than tax year 2010 (collection year 2011) of 22.1 mills due to the passage of the emergency levy. It is a change from tax years 2006-2008 also. In those 3 years, LM was at 20 mills, which is the floor/minimum in Ohio. The increase of 2.1 mills became effective in Tax year 2009 (collection year 2010) was a result of the 8.2% decrease in property valuation from the 2009 triennial update. Due to the effect of HB 920, as property values increase, millage rates decrease (down to a minimum of 20 mills) in Ohio. For 2009, the opposite effect took place. As property values decreased, millage rates increased (from 20 mills to 22.1 mills). This did not increase the amount of revenue the district received during that time period. To the contrary, the net result of the decrease in property value (even after the increase in millage) was that the district actually lost approximately \$100K in revenue per year to the general fund. After the completion of the 2012

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reappraisal this same scenario is likely again due to property valuations decreasing.

INCOME OR EARNINGS TAX:

Little Miami Local School District does not collect any income or earnings taxes.

STATE REVENUE ESTIMATES:

State Foundation Revenue:

The current funding is derived from the Bridge Formula. This formula was enacted to transition districts from the Evidenced Based Model (EBM) (FY10 & FY11) of funding to a more simplified approach based on calculations on a per pupil basis. For detailed information on the Bridge formula please visit the Ohio Department of Education website at www.ode.state.oh.us search "bridge formula".

Up until the 2009-2010 school year, the district's Student Enrollment had been growing at a varied rate between 4.68% and 8.42% per year over the previous 6 years. With the loss of services and a couple neighboring districts moving to Open Enrollment, the district's enrollment growth slowed to 10 new students for FY'10. For FY'11 and FY'12, enrollment decreased by 250 and 279 kids respectively as of October count week. FY'13 the district is projecting enrollment of approximately 3,950 which is an increase of 128 students over the prior year. The district is then projecting slight growth per year in enrollment for future years beyond FY'13 due to the passage of the November 2011 emergency levy. However, since the levy passage is still recent it is somewhat hard to predict new enrollment figures. Enrollment growth has started again for the current fiscal year but there is not a large amount of historical data to indicate this. This will be updated as the new fiscal years approach.

Based upon current budget legislation the district is on the guarantee for FY'13 with regards to state revenue. It also assumed the guarantee will be in effect for FY'14 as well. However, there is not yet a permanent funding model in place for state foundation revenue. Starting in FY'14 through FY'16 a 2% decrease in state funding from each prior year has been forecasted. This has been factored in due to the uncertain economy at the state level.

The Property Valuation of the district has been projected based on data currently known, such as impact of the 2009 Triennial Update and current estimates of the 2012 reappraisal and future estimates of new construction. See the Real Estate Value Assumptions section above for more discussion.

With the continued troubles/shortfalls in the State of Ohio budget, the burden of funding is expected to continue shifting more toward the local taxpayer. Little Miami is collecting taxes at an effective rate of 36.1 mills.

Again, it is very important to note that the projections in this 5 year forecast are based on **estimates and assumptions** that are made to the best of the district's knowledge as of 10/11/12. It is impossible to predict with certainty what the district's financial picture will look like 3-5 years out. All of these factors will influence Little Miami's State Foundation revenue in the future. The district's State Foundation formulas and information can be found on the ODE website.

RESTRICTED GRANTS IN AID:

For FY'12 the district saw a 94% decrease in the restricted grants in aid category. The two main

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pieces that were in this category were the federal Ed Jobs bill, and the SFSF monies which flowed through the state foundation. Little Miami received approximately \$445,000 through Ed jobs (FY'11 \$435,000 and the residual \$10,000 in FY'12) and approximately \$723,000 SFSF monies (FY'11). FY13 is projected to see a 30% decrease and remain flat throughout the forecast due to the loss of these remaining funds.

PROPERTY TAX ALLOCATION:

This line represents funding that comes from the Ohio General Assembly. The G/A gives a credit to property taxpayers. They give 10% for owners, and an additional 2.5% for those who live in their homes. Furthermore, they also give a credit to senior citizens up to a certain dollar threshold. The property owners receive the credit, and then the G/A pays that tax in their place and gives it to local schools. This bulk of line represents that payment from the General Assembly. The reimbursement for property tax exemptions and rollbacks includes the Homestead exemption and the 10% rollback and 2.5% rollback that local taxpayers receive as a "discount" on their property taxes that the state then picks up the tab and reimburses local school districts for this loss. This is anticipated to amount to approx. \$3.7 million in FY'13 (increase due to emergency levy) and will change as district property valuations change. The second part of this line item is the Tangible Personal Property tax loss reimbursements. HB153 phased out this tax more quickly for many districts. As such, the district has lost the entire amount of this reimbursement in FY'12 which was approx. \$370K. These funds are also not expected to be received in FY'13 and beyond.

OTHER REVENUES:

The district anticipates multiple sources of other revenue in this forecast. The first source of other revenues is from investment earnings. The district anticipates receiving investment earnings based upon the amount of cash the district has on hand over the next 5 years. Interest income will increase and decrease as the cash position of the General Fund fluctuates over the forecast period and as market interest rates change. Funds are invested in low-risk investments. Predominately, the district's investments consist of government agency bonds, commercial paper that receives the highest rating possible, and certificates of deposit and interest bearing sweep accounts. Security of the public funds collected by the district is the top priority of the treasurer's office.

Other revenues also include the pay to participate fees for extra-curricular activities, and some reimbursements from the Warren County Board of Developmental Disabilities for costs associated with educating preschool students with disabilities. In FY'13 the district will lose the aforementioned funding from Warren County in the approximate amount of \$275,000. Pay to participate fees have also been reduced for the first time in FY'13 for both the high school and junior high. The decrease in fees will result in approximately \$116K decrease in revenue. However, this is projected to be offset by additional students participating in extra-curricular activities.

EXPENDITURE ASSUMPTIONS

Little Miami Local School District has finished the locally funded construction project after a \$62.5 million bond issue that was passed in May 2006. That project included a new Junior High School, new Intermediate School, additions to the existing High School, and renovations to other Elementary buildings within the district. The renovations began in FY2008 and continued through FY2011. The High School addition opened in August 2008 (adding 64,499 sq. ft), while the new Junior High School (114,200 sq. ft) and Intermediate School (109,148 sq. ft) opened in September 2009. These new buildings have and will continue to have an effect on the district's operating expenses that began in FY2008 and beyond. These anticipated effects have been factored into this 5 year forecast.

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Historically, the operating tax levies that were on the ballot in November 2008, May 2009, November 2009, February 2010, May 2010, November 2010 and May 2011 did not pass. Through this time period the district had greatly reduced operating expenses to the general fund. These savings include reductions in staff, transportation services, building closures of Morrow ES, Butlerville ES and recently Maineville ES in FY'12, and pay to participate fees for extracurricular activities.

In November 2011, the voters of the district passed a five-year emergency operating levy that will generate approximately \$10.6 million per year. Due to the passage of the levy the district has been able to bring back art, music, physical education and media at the K-8 grade levels for FY'13. Also, Butlerville and Maineville Elementary schools have been able to be reopened as K-2 buildings. In addition, as noted in other revenue, pay to participate fees for extracurricular activities have been reduced starting in FY'13. These additional expenses have been factored into the forecast. Expense reductions will be expanded on below.

WAGES:

The district employs 3 groups of employees; certified, classified, and exempted employees. The certified staff is represented by LMTA, the classified staff are represented by OASPE Local 516, and the exempted staff do not work with a labor union.

The labor employment contracts for both the classified staff (OAPSE) and certified staff (LMTA) have recently been negotiated and are effective from July 1, 2012 through June 30, 2014.

Annual base salary increases for FY'13 is 0%. Commitments for FY'14 and beyond will be negotiated between the Board and labor unions. A 0% base salary increase is assumed for FY'14 - FY'17 for LMTA, OAPSE, and Exempted staff.

In addition to base salary increases, the district also pays step increases. For FY'13 there was a step increase for all employees that were applicable. For employees not receiving a step increase, a onetime stipend was made. For FY'14 – FY'17 a step increase has been factored into the forecast which have been calculated at approximately 2.43%.

As noted above, the district has been growing at a relatively rapid pace up until FY'10, increasing enrollment by between 4.68% and 8.42% between FY2002 and FY2009. Total enrollment grew by more than 50% between FY2002 and FY2009. Along with this growth has come a need for additional teaching, classroom, and administrative staff. For FY'12, enrollment was down by 279 students for October count week. However, current data is showing an increase of approximately 128 students for FY'13. In FY'13 an additional 9 FTE teachers are incorporated into the forecast to bring back art, music, physical education and media classes to the K-8 grades. Also included with regards to opening the two elementary schools are 1 administrator (principal) and 13.5 FTE support staff positions (custodians, building aides, maintenance, secretaries and bus drivers). A slight increase has been projected for educational aides based solely on the needs and requirements for special needs students.

FY'12 was a 27 pay fiscal year which increased payroll by approximately \$610,000. A reduction of this same amount is forecasted for FY'13.

All of the above factors play into the anticipated wage increases in this 5 year forecast.

FRINGE BENEFITS:

The two primary components of fringe benefits are medical insurance and retirement costs. The district provides full or partial coverage for medical, dental, vision, and life insurance. STRS/SERS and Medicare costs are calculated as a flat percentage of wages. Medical insurance costs and increases vary year to year as a result of various factors (claims, changes in coverage, etc.). The reductions in medical insurances, STRS/SERS charges, and Medicare charges that resulted from the staff reductions identified above have all been factored into the forecast.

Effective January 1, 2007, the certified staff changed insurance plans from a traditional fully insured plan to a High Deductible Health Plan (HDHP) with a Health Savings Account (HSA). This change has made a positive impact on lowering the district's health insurance premiums not only for 2007 but also for years to come. The Certified, Administrative, and Exempted staff plan have a \$4,000 deductible for the family plan and a \$2,400 deductible for the single plan.

Effective March 1, 2009, the OAPSE Local 516 also changed insurance plans from a fully insured plan to a High Deductible Health Plan (HDHP) with a Health Savings Account (HSA). This change also is anticipated to make a positive impact on lowering premiums for years to come. The Classified/OAPSE staff plan has a \$3,000 deductible for the family plan and a \$1,500 deductible for the single plan.

The district's medical insurance renews on January 1st each year. This past fiscal year 2012 the district was able to keep the premium increase to a low of approximately 2% through bidding from various insurance companies. This low increase in premiums is not expected to be maintained based upon trend data. The current estimate for January 2013 is a 39% increase for medical insurance. For the remaining years of the forecast an increase of 15% has been used. Projections for healthcare are hard to predict as legislation affecting these premiums are being made or changed and claims ratios vary from year to year. Please note they are subject to change.

Effective in FY'12 all certified, classified and exempted employees were required to pay 10% of their medical insurance premiums. This will continue and is accounted for in FY'13-FY'17. The LMTA contract includes Board contributions to the certified staff's Health Savings Accounts. These contributions are as follows:

Type 2013
Family \$1,000
Single \$1,000

The OAPSE contract includes Board contributions to the classified staff's Health Savings Accounts. These contributions are as follows:

Type 2013
Family \$2,000
Single \$1,100

These contributions have been factored into the total cost of health insurances in this forecast as well. Per STRS/SERS guidelines, Little Miami pays 14% of each employee's wages into the applicable retirement system (STRS or SERS), and pays the employee share (10%) for some exempted employees as well. This percentage has been projected to remain the same for the upcoming years for purposes of this forecast. Medicare is calculated at 1.45% of wages and has been projected to continue at that rate. In addition, worker's compensation premiums have been estimated between

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0.8% and 1.15% of wages, depending on the year.

PURCHASED SERVICES:

Purchased services include services such as utilities, repairs, tuition and many others. The district estimates spending \$6.5 million in FY'13 and \$6.7 million in FY'14. These estimates include annual, inflationary increases of 3%.

As stated above, the district opened two new buildings (LMJH and LMIS) for the 2009-2010 school-year and closed two older buildings (Morrow ES and Butlerville ES) which Morrow has remained closed. In 2011-2012 an additional building (Maineville ES) was closed. However, due to the passage of the November 2011 levy, Butlerville and Maineville Elementary have been reopened for the 2012-2013 school year. Utility costs for the reopening have been factored into the forecast. Tuition is paid to other districts for LM students that desire to attend elsewhere through open enrollment or to Community Schools. Starting in FY'12 Little Miami allows students to attend the district via open enrollment. For FY'13 this includes 4 FTE students at this time which accounts for approximately \$22,000 (which is forecasted in FY'13). However the loses, as noted below far exceed the revenue from open enrollment. Historical and projected costs for open enrollment and community schools are as follows:

	FY2011	FY2012	FY2013 (Projected)
Open Enrollment	1,057,597	1,599,965	1,508,859
Community Schools	829,181	964,981	965,258

This population of students is expected to decrease for the first time in several years by approximately 49 in FY'13. The increases in previous years in open enrollment have been as follows: approximately 115 FTE in FY'10, 79 FTE in FY'11 and 92 FTE in FY'12 (after October count week). Due to the change in outgoing open enrollment from FY'12 to FY'13 this amount has been projected to remain constant without any increases in FY'14 through FY'17. If the data in upcoming years is shown that this trend has changed or otherwise the increase in open enrollment will again be factored in the forecast. Hopefully, due to the passage of the November 2011 emergency levy this past trend of increasing outgoing enrollment has diminished.

SUPPLIES & MATERIALS:

Supplies and materials include teacher resources, student supplies, maintenance supplies, fuel and many other items. Little Miami expects to spend approximately \$1.2M in FY'13 and \$1.3M in FY'14. The increase in FY'13 is due to the bringing about the additional classes, opening of the two buildings and transportation. An inflationary increase in expenses of 3% per year has been added for FY'15, FY'16 and FY'17.

CAPITAL OUTLAY:

Capital outlay expenses include expenses for any item that has a useful life of 5 years or greater, including equipment, technology, school buses, etc. In a typical year, the district is required to spend a minimum amount on capital outlay each year. This minimum is calculated by ODE based on the requirements of S.B. 345. The minimum amount required for Little Miami for FY'13 would be approximately \$632,000 and is expected to increase slightly each year going forward. If this amount is not met, the district carries either a balance or deficit from year to year. However, the district also has a Permanent Improvements Fund and anticipates that these amounts will be met and spent out of the P/I Fund rather than the General Fund. Furthermore, with the district being in Fiscal Emergency, all set aside requirements have been waived for FY'13.

DEBT SERVICE:

Due to fiscal emergency, in FY'11 and FY'12 the district received state solvency assistance fund loans in the amounts of \$5,071,000 and \$5,952,000 respectively. These loans are currently forecasted to be paid back over a two year period following the year in which the loan was received. In FY'13, the two loan payments equal \$5,511,500. In FY'14 there are payments of \$2,976,000 remaining to repay the state solvency assistance fund loan.

INTEREST AND FISCAL CHARGES:

In prior years Little Miami anticipated paying interest on borrowings for short term cash needs. Those borrowings took place at current market interest rates at the time of the borrowing. At this time, the district does not anticipate such borrowings and have not included any in this forecast.

TRANSFERS/ADVANCES:

Transfers and advances are needed from time to time to cover any other funds that may have a cash need. These transfers and advances vary from year to year and each one is approved by the Board of Education.

ENCUMBRANCES:

These are outstanding purchase orders that have not been approved for payment as goods or services were not received in the fiscal year in which they were ordered. These items are expected to be paid in the next fiscal year.

RESERVATION OF FUND BALANCE:

Beginning in FY'12 HB30 repealed the requirement for districts to set aside funds for the acquisition of textbooks and instructional materials. Additionally, HB153 allows school district's board of education to transfer any unencumbered money remaining as of July 1, 2011, in the textbook and instructional materials fund to the districts' general fund to be used for any purpose authorized for the general fund. The forecast reflects no amount in this reservation of fund balance for FY'13 and beyond.

FUTURE OUTLOOK:

Due to the multiple factors over recent years, including reduced state funding, reductions in local property values, and growth in student population, the district continues to be in need of additional revenues to fund safe and quality educational programs.

Operating tax levies in November 2008 (a 1% earnings tax), May 2009 (a 9.95 mill emergency levy), November 2009 (7.95 mill emergency levy with increments of 1.25 mills per year), February 2010 (16.95 mill emergency levy), and May 2010 (6.8 mill emergency levy and 1% earnings tax), and November, 2010 (10.95 mill emergency levy with increments of 1.5 mills per year for 5 years) did not pass. The State Commission placed a levy on the May, 2011 ballot of 13.95 mill emergency property tax levy that would be in effect for 5 years. This levy was also defeated. However, the November 2011 ballot that the Board of Education and the State Commission approved was passed which was a 13.95 mill (\$10,638,795) emergency operating levy effective for 5 years. This passage of the levy has had a significant effect on the district with regards to finances and school offerings. Also, as noted above, the district was placed into Fiscal Emergency in July, 2010 and currently still remains in fiscal emergency. This has resulted in a Fiscal Oversight Commission being put into place. This Commission has final approval authority over many financial decisions of the district. This includes expenditure and revenue decisions.

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Since the operating levy passed, careful planning with the community, Board of Education, and State Oversight Commission was required to determine which services have been called back and at what time. It should be noted at this point that at no time will all of the cuts that have been implemented over the years be restored fully.

The current forecast assumptions reflect our best estimate of how key factors will “most likely” turn out, but there is also the possibility the financial situation could turn out better or worse than this forecast shows.

Please visit the Ohio Department of Education website at <ftp://ftp.ode.state.oh.geodoc/5-yrForecast/>

ROLL CALL VOTE

Mrs. Black	Yes
Ms. Journey	Yes
Mr. Haas	Yes
Mrs. Grice	Yes
Mr. Cremeans	Yes

MOTION CARRIED

Resolution 12-177 Resolution to Accept the Amounts and Rates as Determined by the Budget Commission

Mr. Cremeans moved and Ms. Journey seconded a motion to approve a resolution to accept the amounts and rates as determined by the Budget Commission and authorizing the necessary tax levies and certifying them to the County Auditor.

RESOLUTION ACCEPTING THE AMOUNTS AND RATES AS DETERMINED BY THE BUDGET COMMISSION AND AUTHORIZING THE NECESSARY TAX LEVIES AND CERTIFYING THEM TO THE COUNTY AUDITOR

WHEREAS, This Board of Education in accordance with the provisions of law has previously adopted a Tax Budget for the next succeeding fiscal year commencing July 1, 2012; and

WHEREAS, The Budget Commission of Warren County, Ohio, has certified its action thereon to this Board together with an estimate by the County Auditor of the rate of each tax necessary to be levied by this Board, and what part thereof is without, and what part within, the ten mill tax limitation; therefore, be it

RESOLVED, By the Board of Education of the Little Miami Local School District, Warren County, Ohio, that the amounts and rates, as determined by the Budget Commission in its certification, be and the same are hereby accepted; and be it further

RESOLVED, That there be and is hereby levied on the tax duplicate of said School District the rate of tax necessary to be levied within and without the ten mill limitation as follows:

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Fund	Amount to Be Derived from Levies Outside 10 Mill Limitation	Amount Approved by Budget Commission Inside 10 Mill Limitation	County Auditor's Estimate of Tax Rate to be Levied	
			Inside 10 Mill Limit	Outside 10 Mill Limit
Bond Retirement Fund	5,600,000		0.00	7.58
General Fund	26,700,000	1,200,000	1.60	46.15
Permanent Improvement		2,300,000	3.00	0.00

And be it further

RESOLVED, That the Clerk of the Board be and he is hereby directed to certify a copy of this Resolution to the County Auditor of said County.

ROLL CALL VOTE

Ms. Journeay	Yes
Mr. Haas	Yes
Mrs. Grice	Yes
Mr. Cremeans	Yes
Mrs. Black	Yes

MOTION CARRIED

Resolution 12-178 Personnel

Mr. Haas moved and Mr. Cremeans seconded a motion to approve the following personnel issues with employment contingent upon the school system receiving the results of the mandated criminal records background check as required by the O.R.C. 3319.311 which indicates that no conviction or pleas of guilty were entered into by any persons being employed.

EXEMPTED PERSONNEL – EMPLOYMENT

Shannon Horton, LMIS nurse, effective 10/17/2012

EXEMPTED PERSONNEL – RESIGNATION

Jessica Abbot, LMIS nurse, effective 10/19/2012

CERTIFIED PERSONNEL – LEAVE OF ABSENCE

Erin Lynch, 5th grade teacher, LMIS, maternity leave, approx. 1/2/2013-3/11/2013

CERTIFIED PERSONNEL – SUBSTITUTE

Melissa Craven

CLASSIFIED PERSONNEL – EMPLOYMENT

Lorri Lykins, 3-hour cook, LMIS, current step, effective 9/14/12

Nicole Gintert, 6-hour cook, Salem Twp., current step, effective 10/10/12

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Samantha Arnett, 4-hour head cook, Harlan-Butlerville, current step, effective 10/10/12
Regina Gilkison, 2-hour cook, Salem Twp, step 0, \$11.64/hr, effective 10/10/12 and
1-hour cook, Harlan Butlerville, same step, effective 10/10/12
John Fields – adds Transportation and Computer Suite to custodial duties

CLASSIFIED PERSONNEL – EMPLOYMENT

Erin England, 3.5-hour cook, LMJH, step 0, \$11.64/hr; effective 10/22/12
Tammy Prewitt, bus driver, \$15.82/hr, effective 10/8/12
Andrew Thompson, substitute bus aide, \$9.98/hr., effective 10/8/12
Jessie Taulbee, bus aide, \$12.47/hr., effective 10/15/12
Donna Leon, bus aide, \$12.47/hr., effective 10/16/12
Jack McMullen, sub bus aide, \$9.98/hr, and sub van driver, \$10.74/hr., effective 10/16/12

CLASSIFIED PERSONNEL – REASSIGNMENT

Anna Lykins, second shift custodian, LMHS
Linda Norton, 3.5-hour cook, LMIS
Kelly Oeder, 6-hour cook, LMIS

CLASSIFIED PERSONNEL – SUBSTITUTES

Ginger Blair, cook Regina Gilkison, cook
Helen Payne, secretary Betty Thompson, cook
Ruth Sandoval, cook, aide, custodian Donna Leon, cook, custodian
Jason Taulbee, bus driver
Tammy McGee, cook, custodian, special education aide, building aide

CERTIFIED PERSONNEL—SUPPLEMENTAL

Jen Lyke, department chair for LMHS English Dept.
Randy Gray, department chair for LMHS Science Dept.
Sharon Stein, department chair for LMHS Social Studies Dept.
Janel Terrell, department chair for LMHS Fine Arts Dept.
Stephanie Woodruff, department chair for LMHS Math Dept.
Sally Lockhart, department chair for LMHS Special Ed. Dept.

SUPPLEMENTAL POSITIONS – EMPLOYMENT *(pending completion of training, certification & paperwork)*

Yvonne Florea -- Varsity Softball Linda Tosh -- JV Softball
Felisha Hartman – 8th gr. Girls Basketball Mark Short – LMJH football (repl. Josh Butler)
Ann Buschur – 8th gr. Girls Volleyball Ali Fisher – 7th gr. Girls Volleyball
Chelsea Rose – LMJH Cheerleading Bea Cook – Detention LMHS
Dave Friedman -- Varsity Swimming/Diving, 42.5% of Step 0, level 6
Shane Cummings – Varsity Swimming/Diving, 42.5% of Step 0, level 6
Lisa Beerse – Varsity Swimming/Diving, 15% of Step 0, level 6

**All athletic coaches paid for by pay-to-play fees*

ROLL CALL VOTE

Mr. Haas Yes
Mrs. Grice Yes
Mr. Cremeans Yes
Mrs. Black Yes
Ms. Journeay Yes

MOTION CARRIED

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Resolution 12-179 Personnel, cont'd

CERTIFIED PERSONNEL – SUBSTITUTES

Keilee Guthrie	Marcia Rood
Fady Khalilieh	Nicholas Pace
Casey Keller	Jamey Webb
Karen Oliverio	April Baker

ROLL CALL VOTE

Mrs. Grice	Yes
Mr. Cremeans	Yes
Mrs. Black	Yes
Ms. Journey	Abstain
Mr. Haas	Yes

MOTION CARRIED

Resolution 12-180 Updated Mission Statement

Ms. Journey moved and Mrs. Black seconded a motion to approve the updated mission, vision and objectives for the Little Miami School District.

Little Miami Local School District

Mission

The Board believes that it is the responsibility of the school system to ensure that each graduate is college and career ready. To these ends, an environment of high expectations and opportunity shall be created that fosters scholarship and citizenship and develops within each student the ability to become a productive and responsible member of society.

Goals

- Develop an environment of high academic expectation that maximizes each student's potential and opportunity for learning.
- Develop in each student the ability to apply learned skills and knowledge related to college and career readiness.
- Develop each student's ability to become a responsible and productive member of the community.
-

Core Beliefs

Little Miami Board of Education, staff, students, parents and others will operate in ways that support and demonstrate the following core beliefs:

- Academic excellence

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- Safe learning and working environments
- Quality facilities for quality learning
- Fiscal responsibility
- Adherence to all state and federal requirements

Objectives

1. Foster a district-wide culture that demands high levels of achievement, embraces student accomplishments and provides a safe, secure environment for all students.
2. Partner with community stakeholders to facilitate improvement efforts, identify needs and define solutions.
3. Provide high-quality customer service to all stakeholders.
4. Use existing mediums to provide communications to inform stakeholders and encourage feedback.

ROLL CALL VOTE:

Mr. Cremeans	Yes
Mrs. Black	Yes
Ms. Journey	Yes
Mr. Haas	Yes
Mrs. Grice	Yes

MOTION CARRIED

Resolution 12-181 Student Fees Fines and Charges

Mr. Cremeans moved and Ms. Journey seconded a motion to approve the updated Student Fees, Fines and Charges policy, updating the current policy in the Board Policy Manual.

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ROLL CALL VOTE:

Mrs. Black	Yes
Ms. Journeay	Yes
Mr. Haas	Yes
Mrs. Grice	Yes
Mr. Cremeans	Yes

Resolution 12-182 Bidding Requirements Policy

Mrs. Black moved and Mr. Cremeans seconded a motion to approve the updated Bidding Requirements policy, updating the current policy in the Board Policy Manual.

File: DJC

BIDDING REQUIREMENTS

Contracts for construction or demolition of buildings or for any improvements or repairs which exceed \$25,000 are let only after bids are solicited and received in compliance with law. However, if the Board enters into a shared savings contract for energy conservation measures, competitive bidding is not required. The Board may also enter into an installment payment contract for the purchase and installation of energy conservation measures and competitive bidding does not need to be utilized if two-thirds of the entire Board adopts a resolution stating that competitive bidding does not apply to the project.

If feasible, all purchases over \$10,000 but under \$25,000 will be based on price quotations submitted by at least three vendors. These quotations are treated confidentially until the deadline for filing is past; thereafter, they are public information.

The Treasurer and Superintendent assemble the proper specifications and make the necessary arrangements for public bidding and price quotations. The Treasurer receives the bids and price quotations and records them. The Treasurer or Superintendent makes his/her recommendations to the Board. Upon approval by the Board, he/she processes purchase orders to those bidders awarded contracts and notifies the other bidders of the results of the bidding.

All contracts that are subject to the competitive bidding process will be checked with the finding for recovery database maintained by the Auditor of State of Ohio.

[Adoption date: July 15, 2003]
[Re-adoption date:]

LEGAL REFS.: ORC 9.314
153.01; 153.12 through 153.14; 153.50 through 153.56
3313.372; 3313.373; 3313.46
3319.04

CROSS REFS.: DJ, Purchasing
DJF, Purchasing Procedures
ECF, Energy Conservation
FA, Facilities Development Goals
FEF, Construction Contracts Bidding and Awards

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ROLL CALL VOTE:

Ms. Journey	Yes
Mr. Haas	Yes
Mrs. Grice	Yes
Mr. Cremeans	Yes
Mrs. Black	Yes

Resolution 12-183 Purchasing Procedures Policy

Mrs. Black moved and Mr. Cremeans seconded a motion to approve the updated Purchasing Procedures policy, updating the current policy in the Board Policy Manual.

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ROLL CALL VOTE:

Mr. Haas	Yes
Mrs. Grice	Yes
Mr. Cremeans	Yes
Mrs. Black	Yes
Ms. Journey	Yes

Resolution 12-184 Application for Waiver of Student Fees

Ms. Journey moved and Mr. Cremeans seconded a motion to approve the updated Application for Waiver of Student Fees policy, updating the current policy in the Board Policy Manual.

APPLICATION FOR WAIVER OF STUDENT INSTRUCTIONAL MATERIALS FEES

District students who receive Aid to Dependent Children, Disability Assistance and qualify for Free Lunch Programs are eligible for a waiver of instructional fees. This does not apply to any fees that may be charged for extracurricular activities, fines, school pictures, parking fees or lunch charges. Please complete this application if your child is eligible for a waiver of fees.

Student Name _____

Parent/Legal Guardian Name _____

Address _____

Street

City

State

Zip

School Attending _____ Grade _____

Please attach documentation that shows that your child is currently receiving ADC/DA or Free Lunches.

You may need to provide financial information, allow the District to contact your caseworker or be required to provide additional information.

APPLICATIONS WILL NOT BE APPROVED WITHOUT DOCUMENTATION

RETURN THIS APPLICATION TO YOUR CHILD'S SCHOOL

My signature certifies that the above information is true and correct and that I understand that school officials may verify the information on the application.

Signature of Parent/Legal Guardian Date

Application Approved/Waiver Granted _____

Application Rejected/Waiver Not Granted _____

Signature of Administrator _____

APPLICATION FOR WAIVER OF STUDENT ATHLETIC FEES

Little Miami Local School District students who receive Aid to Dependent Children, Disability Assistance and qualify for Free Lunch Programs are eligible for a waiver of athletic fees. Student athletes participating on sports teams required to pay a fee may apply for fee waiver. Waiver recommendations are made through the team coach and athletic director to the Superintendent. Waivers are to be requested for each sport team on which the athlete participates. Fees are not waived until the Superintendent signs the Waiver Form. Waivers will be communicated in writing to the athletes' parents or guardian by the athletic department.

Student Name

Parent or Legal Guardian Name(s)

Address

City State Zip Code

School Attending Grade Level

Please attach documentation that shows that your child is currently receiving ADC/DA or Free Lunches.

You may need to provide financial information, allow the District to contact your caseworker or be required to provide additional information. A brief, written explanation is recommended.

Applications MAY NOT be approved without documentation.

RETURN THIS APPLICATION TO YOUR CHILD'S SCHOOL.

My signature certifies that the above information is true and correct and that I understand that school officials may verify the information on the application.

Signature of Parent/Legal Guardian Date

For Office Use Only:

Application Approved, Waiver Granted
Application Rejected, Waiver Not Granted

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ROLL CALL VOTE:

Mr. Haas	Yes
Mrs. Grice	Yes
Mr. Cremeans	Yes
Mrs. Black	Yes
Ms. Journeyay	Yes

Resolution 12-185 Gate Receipts and Admissions

Mrs. Grice moved and Mr. Cremeans seconded a motion to approve the updated Gate Receipts and Admissions policy, updating the current policy in the Board Policy Manual.

File:DFE

GATE RECEIPTS AND ADMISSIONS

Admission receipts of school events shall be adequately controlled. The principal, athletic director or designee is responsible for the administration and supervision of all phases of school events for which an admission is charged.

Admission to those school events for which an admission is charged shall be by serially numbered tickets. However, persons presenting season, faculty or special passes will be admitted to all events. Adequate records shall be maintained to provide chronological and accounting data for subsequent review and analysis.

Residents of the District possessing proof of age 65 years or older are entitled to a complimentary admission.

Complimentary tickets for school-sponsored events may be issued as prescribed in athletic league rules or as a component of the District's school-community relations program. Complimentary and or reduced price tickets may be made available to administrators and faculty as a means of encouraging their participation in these activities. Complimentary tickets shall be accounted for in the same manner as paid admission tickets.

ROLL CALL VOTE:

Mrs. Grice	Yes
Mr. Cremeans	Yes
Mrs. Black	Yes
Ms. Journeyay	Yes
Mr. Haas	Yes

MOTION CARRIED

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New Business

Mrs. Grice gave a report on the Warren County Career Center. She said a 2008 alumni had made a video presentation to the board and it was quite impressive. She also said the Career Center had played host for the OSBA Southwest Region dinner recently.

Mr. Power directed the Board's attention to a new draft of the Warren County Attendance Policy that would be coming to the Board for a vote at the November meeting. Mr. Power also told the Board that he would be bringing the district's SMART goals to the Board at the November meeting as well.

Mr. Power also said that the Board would be meeting at different locations throughout the year in order to bring meetings to different parts of the community. The meeting dates and locations are:

- Nov. 20 – Harlan-Butlerville Primary School
- Dec. 18 – Hamilton-Maineville Primary School
- Jan. 15 – Little Miami High School
- Feb. 19 – Salem Twp. Elementary School
- Mar. 19 – Little Miami Intermediate School
- Apr. 16 – Little Miami Junior High School

The next state commission meeting will be Oct. 24 at 4 p.m. at the LMHS auditorium. OSBA policy review subcommittee will be Oct. 22, 6-9 p.m. at LMIS.

Community Comments on Non-Agenda Items

Lulu Alghalaeini then addressed the Board. She is an LMHS senior who is running for class president and said that the administration should not regulate school elections. She said recent changes to requirements have excluded people from running, and these changes were not known in advance. She presented the board with a petition that had 75 signatures supporting her statement.

Cassandra Spatz then addressed the Board. She said she was in support of Miss Alghalaeini running for class president and said it would be a disappointment if she could not run. She asked that the Board let the students decide.

Resolution 12-186 Executive Session

Mrs. Grice moved and Mr. Cremeans seconded a motion to enter into executive session to consider the employment of a public employee.

ROLL CALL VOTE:

Mrs. Grice	Yes
Mr. Cremeans	Yes
Mrs. Black	Yes
Ms. Journeyay	Yes
Mr. Haas	Yes

MOTION CARRIED

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The Board entered executive session at 8:19 p.m.

Resolution 12-187 Return to Regular Session

Mr. Cremeans moved and Mrs. Black seconded a motion to return to regular session.

ROLL CALL VOTE:

Mr. Cremeans	Yes
Mrs. Black	Yes
Ms. Journeay	Yes
Mr. Haas	Yes
Mrs. Grice	Yes

MOTION CARRIED

The Board returned to regular session at 9:05 p.m.

MOTION CARRIED

Resolution 12-188 Motion to Adjourn

Mr. Haas moved and Mrs. Black seconded a motion to adjourn.

ROLL CALL VOTE:

Mrs. Black	Yes
Ms. Journeay	Yes
Mr. Haas	Yes
Mrs. Grice	Yes
Mr. Cremeans	Yes

MOTION CARRIED

The Board adjourned at 9:05 p.m.

Bobbie Grice, President

Terry Gonda, Treasurer