

**Minutes of the Special Meeting of the  
WAY Academy of Flint  
Board of Directors  
Monday, September 9, 2013  
6:30 p.m.**

**The meeting called to order at 6:35 p.m.**

- I. Call to Order by Howard Buetow, WAY Academy of Flint Board President.

Members Present: Howard Buetow, Fay Latture, Tim Franklin, Kristy Gilbert, Amy Tomczak.

Members Not Present: None

Guests Present: Fletcher Spears, WAY Program; Glen Taylor, WAY Program; Beth Baker, WAY Program; Sharon Miller, WAY Academy of Flint Director; Lee Logan, Attorney.

- II. Approval of Agenda

It was moved by Latture and seconded by Franklin to approve the agenda. All present voted aye. Motion carried.

- III. Call to the Public

This meeting is a meeting of the Board of WAY Academy of Flint in public for the purpose of conducting the School District's business and is not to be considered a public community meeting. We now invite members of the public to address the Board and share any thoughts or concerns regarding agenda items only.

- IV. Consent Agenda

- A. Approval of Minutes

It was moved by Franklin and seconded by Latture to accept the consent agenda. All present voted aye. Motion carried.

- V. Correspondence

- A. None.

## VI. Old Business

### A. Discussion Items

#### 1. Program Updates

- a. Facilities: Discussion took place related to the layout of the space for the middle school program and the high school program. Facility updates have cost \$60,000 to date.
- b. Enrollment: Current enrollment is at 78 students. Sharon Miller shared enrollment demographics with the Board.
- c. Staffing: Two team leaders and six lab mentors have been hired and have successfully completed training. Staff recruitment practices were discussed.
- d. Marketing and Recruitment: The Board discussed current marketing and student recruitment practices.
- e. Food Service: The WAY Academy of Flint food service bid process was discussed.

### B. Action Items

#### 1. Anti-Bullying Policy

It was moved by Gilbert and seconded by Franklin to approve the WAY Academy of Flint Anti-Bullying Policy. All present voted aye. Motion carried.

#### 2. Wellness Policy

It was moved by Gilbert and seconded by Franklin to approve the WAY Academy of Flint Wellness Policy. All present voted aye. Motion carried.

## VII. New Business

### A. Discussion Items

### B. Action Items

1. Board Treasurer: It was moved by Franklin and seconded by Gilbert that Fay Latture is named Treasurer of the Board of Directors of the WAY Academy of Flint. All present voted aye. Motion carried.

2. Budget Amendment: Fletcher Spears shared a budget amendment

and an update on IDEA funds.

It was moved by Franklin and seconded by Gilbert to approve the amended budget. All present voted aye. Motion carried.

## 2. Resolution Authorizing Issuance of Fiscal Year 2013-14 State Aid Notes.

The attached resolution was read. It was moved by Gilbert and seconded by Latture to accept the resolution as written. A roll call vote was taken.

Ayes: Kristy Gilbert, Fay Latture, Tim Franklin, Amy Tomczak, and Howard Buetow.

Nays: None

Motion carried.

## VIII. Board Committee Reports/Comments

No Committee Reports were presented.

## IX. Announcements - None.

## X. Call to the Public

This meeting is a meeting of the Board of WAY Academy of Flint in public for the purpose of conducting the School District's business and is not to be considered a public community meeting. We now invite members of the public to address the Board and share any thoughts or concerns. Comments should only be addressed to the person chairing this meeting, and, per Board policy, should be no longer than three minutes.

## XI. Adjournment

It was moved by Latture and seconded by Tomczak to adjourn the meeting. All present voted aye. Motion carried.

Meeting adjourned at 8:11 p.m.

Minutes of all Board of Director's meetings are available after approval by the Board at 369 Main Street, Belleville, MI 48111.

Public notice of this meeting was posted as required by the Open Meetings Act.

**WAY ACADEMY - FLINT  
COUNTY OF GENESEE  
STATE OF MICHIGAN**

**RESOLUTION AUTHORIZING ISSUANCE OF FISCAL YEAR  
2013- 2014 STATE AID NOTES**

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A special meeting of the Board of Directors (the "Board") of WAY Academy - Flint (the "Academy") was held on September 9, 2013, at WAY Academy - Flint.

The meeting was called to order by Howard Buetow, President.

Present: Tim Franklin, Fay Latture, Amy Tomczak, Howard Buetow, Kristy Gilbert

Absent: None

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The following preamble and resolution were offered by Kristy Gilbert and supported by Fay Latture:

**WHEREAS**, Sections 504(a) and 1225 of Act 451 Public Acts of Michigan, 1976, as amended (the "Revised School Code") authorizes a public school academy to borrow money to secure funds for school operations or to pay previous loans obtained for school operations under the Revised School Code or any other act to provide school operating funds and issue its notes therefor, pledging for the payment thereof monies to be received by it from the state school aid fund for fiscal year ending June 30, 2014, which notes shall be for a term not to exceed 372 days and which notes shall be the full faith and credit obligation of the public school academy;

**WHEREAS**, Section 1225 of the Revised School Code provides that notes issued and sold by the Academy within a fiscal year shall not exceed 70% of the difference between the total state aid funds apportioned to the Academy for the fiscal year and the portion already received or pledged (except certain secondary pledges made under Section 1356 of the Revised School Code);

**WHEREAS**, Section 1225 of the Revised School Code further provides that notes issued during the last 4 months of a fiscal year and pledging state school aid for the next succeeding fiscal year shall not exceed 50% of the state school aid apportioned to the Academy for the next succeeding fiscal year or, if the apportionment has not been made, 50% of the apportionment for the then-current fiscal year.

**WHEREAS**, the estimated amount of such state aid appropriations allocated to the Academy is \$1,370,700 for the fiscal year ending June 30, 2014 ("State Aid"), of which amount the sum of \$-0- has been heretofore distributed and received, leaving a balance of \$1,370,700 as the estimated amount remaining to be distributed to the public school academy pursuant to the State School Aid Act, being MCL 388.1 et seq., as amended;



**WHEREAS**, the Academy anticipates a need to borrow a sum not to exceed \$375,000.00 to pay current operating expenses in the form of a term note (the "Note") which will be financed in compliance with the Revised Municipal Finance Act being Michigan Public Act 34 of 2001, as amended ("Act 34");

**WHEREAS**, the Board has determined that a negotiated sale will provide the Academy more flexibility in timing the sale of the Note which in turn creates substantial net interest cost savings to the Academy;

**WHEREAS**, the Board has determined it to be in the best interest of the Academy to issue its state aid note to Charter School Capital, Inc. (the "Lender");

**NOW, THEREFORE, BE IT RESOLVED THAT:**

1. The Board hereby authorizes the borrowing described in the recitals to this Resolution pursuant to the Revised School Code and Act 34, in an aggregate amount not to exceed Three Hundred Seventy-Five Thousand and 00/100 Dollars (\$375,000.00), with the proceeds received from the Note to be used exclusively for the purpose of meeting the operating expenses of the Academy and paying the costs of issuing the Note.

2. Pursuant to Section 1225 of the Revised School Code, the Note shall be a full faith and credit obligation of the Academy secured by and payable as a first budget obligation from the State Aid funds of the Academy and available therefor, or from the general funds of the Academy.

3. It is hereby declared that said borrowing is necessary for the purpose of securing funds for the Academy's operations under Section 1225 of the Revised School Code, or any other statute, and it has agreed with the Lender that the proceeds thereof will be used exclusively for such purpose or purposes.

4. The Board irrevocably pledges State Aid funds to be received by the Academy for repayment of the Notes and each of Howard Buetow, Board President, Fay Latture, Board Vice President, Timothy Franklin, Board Secretary, Fay Latture, Board Treasurer, and Fletcher Spears III, Director of Finance and Operations (such persons and their duly elected and qualified successors, the "Authorized Officers") may authorize the direct intercept of State School Aid Payments (as defined in the Fiscal Agent Agreement between the Lake Superior State University Board of Trustees and the Academy attached as Schedule 4 to the Charter Agreement dated January 25, 2013) allocated to the Academy.

5. The Board hereby approves that (i) the Note shall be dated no later than October 1, 2013 or such other date as determined by an Authorized Officer and (ii) the interest rate on the Notes shall not exceed 9.00 % per annum. The Board also hereby authorizes the making of any and all payments due relative to the Note, including but not limited to any and all late fees due and owing to the Lender and late fees that may become due.



6. An Authorized Officer is further authorized to submit an application for approval to issue short-term securities to the Michigan Department of Treasury and to pay any appropriate fees and provide any additional information which the Michigan Department of Treasury may request for approval of the borrowing by the Academy as may be required by the Revised School Code and Act 34.

7. The Board hereby appoints the Law Office of William L. Logan, PLLC to act as counsel to the Academy for purposes of issuance of the Note.

8. The Note may be redeemable prior to maturity on the terms and conditions provided in the Transaction Documents (as defined below).

9. The Board hereby approves the form of the State School Aid Payment Agreement and Direction, attached as part of Exhibit A hereto, among the Academy, the Lender and the Lake Superior State University Board of Trustees (the Academy's "Authorizing Body"), dated as of the dated date of the Note (the "Payment Intercept Agreement"), which provides for the intercept of the Academy's Pledged State Aid to be sent directly to the Lender by the Authorizing Body for the payment of the principal of and the interest on the Note on such dates and at such times provided in the Payment Intercept Agreement.

10. As additional security for the Academy's repayment of the Note to the Lender, the Academy hereby assigns, pledges and grants to the Lender a continuing first priority lien and security interest in the Academy's Collateral, as more particularly defined, described and provided for in that certain Loan and Security Agreement between Purchaser and the Academy dated as of the dated date of the Note (the "Loan Agreement"). The Board hereby approves the form of the Loan Agreement attached as part of Exhibit A hereto.

11. Any Authorized Officer is each hereby authorized to hereafter execute and deliver the Note, the Payment Intercept Agreement, the Loan Agreement and any documents or certificates necessary for the issuance thereof (collectively, the "Transaction Documents"), and any of the above persons are authorized to take all steps necessary to issue, sign, and deliver the Transaction Documents consistent with the Revised School Code and Act 34 and such Authorized Officer's execution thereof shall constitute conclusive evidence of the Board's approval of the issuance, delivery and dated date of the Note and the Transaction Documents.

12. Within 15 business days of completing the issuance of the Note, the Board, the Chief Administrative Officer of the Academy, or his or her designee shall, on behalf of the Academy, file or cause to be filed, a copy of all of the following with the Department of Treasury in the form and manner prescribed by the Department of Treasury: (i) a specimen copy of the Note; (ii) a copy of the legal opinion regarding the legality of the Notes; (iii) a copy of this Resolution authorizing the issuance of the Note; (iv) any associated filing fee, as determined by the Department of Treasury; and (v) such other documents as the Department of Treasury may require.

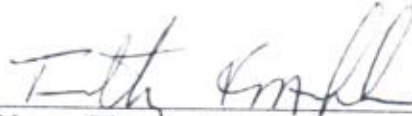
13. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution are hereby rescinded.

14. Any action or actions taken by an Authorized Officer in furtherance of the transactions contemplated under this Resolution (to the extent such action or actions are not inconsistent with the delegation of authority provided under this Resolution) are ratified and confirmed in all respects.

Ayes: Tim Franklin, Howard Buetow, Amy Tomczak, Kristy Gilbert, and Fay Latture

Nays: None

Resolution declared adopted.

A handwritten signature in dark ink, appearing to read "Timothy Franklin", written over a horizontal line.

Name: Timothy Franklin  
Secretary, Board of Directors  
WAY Academy - Flint



## CERTIFICATION

The undersigned duly qualified and acting Secretary of the Board of Directors of WAY Academy - Flint, County of Genesee, Michigan, certifies that the foregoing is a true and complete copy of a resolution adopted by the Board of Directors at a special board meeting held on September 9, 2013, the original of which resolution is a part of the Board's minutes and further certifies that notice of the meeting was given to the public under the Open Meetings Act, 1976 PA 267, as amended, MCL 15.261 et seq.



Name: Timothy Franklin  
Secretary, Board of Directors  
WAY Academy - Flint

EXHIBIT A  
FORMS OF TRANSACTION DOCUMENTS