

New Lexington, Ohio

January 14, 2016

The New Lexington City Board of Education held its 2016 Organizational and Regular meetings at 4:30 p.m. in the New Lexington High School Media Center, 2547 Panther Drive.

Members present: John McGaughey, Steve Burton, and Mike Davisson.

Treasurer Christie Barnette had administered the oath of office to elected board member Mike Davisson on Friday, January 8, 2016 at the board office. Mr. Davisson was going to be unable to make the regular scheduled board meeting on January 11, 2016 that was cancelled due to unexpected circumstances.

Treasurer Christie Barnette administered the oath of office to elected board member Bill Nutt.

Treasurer Christie Barnette called for nominations for Board President for 2016. Steve Burton nominated John McGaughey. There being no further nominations, it was moved by Burton and seconded by Nutt that nominations be closed and John McGaughey be approved as Board President for calendar year 2016.

Board President McGaughey continued with the nominations for Vice President for 2016. Mike Davisson nominated Steve Burton. There being no further nominations, it was moved by Davisson and seconded by Nutt that nominations be closed and Steve Burton be approved as Board Vice President for calendar year 2016.

It was moved by Burton and seconded by Davisson to approve Resolution #**16-01**:

Whereas a vacancy has been caused in this board of education by reason of resignation of member Tina Fondale; and

Whereas this board of education has by law authority to fill a vacancy for the unexpired term thereof;

Now, therefore, be it resolved by a majority vote of all remaining members of the board of education of the New Lexington City School District that be and hereby is, appointed James Harley to serve as a member of the board of education of this school district for the unexpired term of Tina Fondale ending on December 31, 2017.

THE VOTE: Burton, yes; Davisson, yes; Nutt, yes; McGaughey, yes. President McGaughey declared the motion carried.

It was moved by Burton and seconded by Nutt to approve the following agenda items:

- A. To set the third Monday of each month for regular meetings with the exception of February which will be the fourth Monday. All will be held in the New Lexington High School Media Center, 2547 Panther Dr., New

Lexington, Ohio, with the exception of the months of April and October which will be held in the Junction City Elementary School Media Center. All regular meetings will begin at 6:00 p.m.

- B. The Perry County Tribune be designated as the official newspaper for the calendar year 2016 as per Board Policy 0154 and Ohio Revised Code 7.12.
- C. To set a 2016 fee of ten cents (.10) per image to offset the cost of providing copies of public records including board meeting schedules, agendas, or notices of individual meetings.
- D. To set the board's 2016 service fund at \$5,500.00 per Board Policy 0154(F) and Ohio Revised Code 3315.15.
- E. To appoint the following coordinators for the listed federal programs for calendar year 2016:

Lisa Ridenour-Marton – Title I, Title II, Title VI Director, CCIP Programs
Rich Warren - Director of Special Education, Section 504, IDEA
Tim Householder – Directory of Technology - Federal E-Rate Program

- F. To appoint John McGaughey as Legislative Liaison and Capital Conference delegate for the calendar year 2016.
- G. To approve the following adopt-a-school assignments for calendar year 2016. Designated member will represent the board at assigned school functions:

Mike Davisson – New Lexington High School
Bill Nutt – New Lexington Middle School
Steve Burton – New Lexington Elementary School
John McGaughey – Junction City Elementary School

- H. To approve the following authorizations for the calendar year 2016:
 - a. Authorize the Treasurer to pay bills when due provided funds are available, to request transfers if needed between different object accounts, to request a change in the total appropriations due to an increase or decrease in funds.
 - b. Authorize the Treasurer to invest inactive funds at the most productive interest rate.
 - c. Authorize the Superintendent to employ such personnel as needed and present the contract to the Board of Education at its next regular meeting (Board Policy #3120).

- d. Approve the Superintendent and the Treasurer in her absence, as Purchasing Agent and establish that the signature of such agent(s) not be required on blanket purchase orders.
- e. Authorize the Treasurer to secure advances on the tax settlements from the auditor when funds are available to the school district.
- f. Approve the Superintendent to participate in all Federal and State Programs of value to the school district.
- g. Authorize the Superintendent to approve activity accounts, their purpose and expenditures.

**THE VOTE: Burton, yes; Nutt, yes; Davisson, yes; McGaughey, yes.
President McGaughey declared the motion carried.**

Union Presidents to Address Board

Union President Erin Schumaker made a statement that unions protect the process, not individuals. The union asks for continued use of the process.

All members having received a type written copy of the minutes from the December 14, 2015 regular meeting, it was moved by Burton and seconded by Nutt that the Treasurer dispense with the reading of the minutes, and further that said minutes be approved.

**THE VOTE: Burton, yes; Nutt, yes; Davisson, yes; McGaughey, yes.
President McGaughey declared the motion carried.**

Treasurer's Recommendations

It was moved by Davisson and seconded by Burton to approve the Treasurer Recommendations as follows:

- A. Approve the December 31, 2015 Financial Report as presented.
- B. Approve the tax budget for FY 2017 and to file with the Perry County Auditor
- C. Approve 2016 Appropriations Increase/(Decrease) adjustments:

<u>Fund</u>	<u>Fund No.</u>	<u>Amount</u>
TIF PD Award FY 16	590-9216	\$(85,118.23)
General Fund	001	130,698.91
Special Revenue	018	12,330.40
Student Activities	200	6,878.25
Athletics	300	5,849.46

**THE VOTE: Davisson, yes; Burton, yes; Nutt, yes; McGaughey, yes.
President McGaughey declared the motion carried.**

Superintendent's Report

January is School board Recognition Month. There will be a news article published in the local newspaper thanking the New Lexington School Board members.

Superintendent's Recommendations

It was moved by Davisson and seconded by Burton to approve the following agenda items:

- A. It was moved by Nutt and seconded by Davisson to adjourn to executive session at 4:51 p.m. under the provisions of O.R.C. 121.22(G)(1) to discuss preparations for the upcoming negotiations.

**THE VOTE: Nutt, yes; Davisson, yes; Burton, yes; McGaughey, yes.
President McGaughey declared the motion carried.**

Board President declares Board in open session at 6:05 p.m.

- B. Approve retirement resignation of Non-Licensed Personnel:

Kathy Gall (Aide at New Lexington Elementary) – Effective March 1, 2016
- C. Approve 5-Year CTE-26 Family and Consumer Sciences Program covering 18 courses at New Lexington Middle and High Schools
- D. Approve 1 day unpaid leave of absence on January 22, 2016 for Shevon Owen, teacher at New Lexington Elementary School
- E. Approve appointment of Jim Leckrone (former High School Principal) to serve a three-year term as local board representative to the Tri-County Career Center Board effective January 1, 2016
- F. Approve overnight trip for the New Lexington FFA on February 20-21, 2016 to the 212/360 Made for Excellence Conference held at Union Local High School.
- G. Approve non-certificated substitutes:

Morgan Deavers - custodian
- H. Approve Title I District Parent Involvement Policy. This policy will be reviewed annually at the January Board meetings.

**THE VOTE: Davisson, yes; Burton, yes; Nutt, yes; McGaughey, yes.
President McGaughey declared the motion carried.**

It was moved by Nutt and seconded by Burton to approve Resolution #16-02 Authorizing Remaining Funds for Completed Roof Improvements to be deposited in an Escrow, and matters related thereto:

WHEREAS, the Board of Education (the “Board of Education”) of the New Lexington City School District, County of Perry, Ohio (the “School District”), previously issued Certificates of Participation, Series 2014 (New Lexington City School District – School Facilities Project (the “2014 Certificates”) the proceeds of which were used to finance a portion of the cost of roof repairs and replacement at the High School, Junction City Elementary School and New Lexington Elementary School, including all appurtenances and financing costs related thereto;

WHEREAS, the cost of such roof repairs and replacement came in under the amount originally estimated by the contractor;

WHEREAS, pursuant to tax rules under which the 2014 Certificates were issued, any excess proceeds of the 2014 Certificates after completion of the project are to be used to make debt payments on the outstanding 2014 Certificates.

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of the New Lexington City School District, County of Perry, Ohio, that:

Section 1. The Board of Education hereby directs the Treasurer to deposit the excess proceeds of the 2014 Certificates into an escrow. The moneys in such escrow shall be used to make debt service payments on the 2014 Certificates. The Treasurer shall select a banking institution to serve as an Escrow Trustee pursuant to an Escrow Agreement signed by the Treasurer and the Escrow Trustee. The Treasurer is hereby authorized to execute and deliver the Escrow Agreement with the Escrow Trustee. Moneys in such escrow may be invested in direct obligations of, or obligations guaranteed as to payment by, the United States pursuant to the terms of the Escrow Agreement. The Treasurer is authorized to direct the purchase of such investments and the selection of a verification agent as required.

Section 2. The Treasurer is hereby authorized and directed to execute and deliver, on behalf of the School District, such additional instruments, documents, agreements, certificates, and other papers as may be in its discretion necessary or appropriate in order to carry out the intent of this Resolution in such forms as the official executing the same may approve.

Section 3. It is hereby found and determined that all formal actions of this Board of Education concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Board of Education, and that all deliberations of this Board of Education and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

This Resolution shall take effect immediately upon its adoption.

**THE VOTE: Nutt, yes; Burton, yes; Davisson, yes; McGaughey, yes.
President McGaughey declared the motion carried.**

It was moved by Nutt and seconded by Davisson to approve Resolution #16-03 Authorizing the Lease-Purchase Financing of Stadium Bleachers, Lighting, Concession Stand, Press Box and Surrounding Fencing, including a Site Lease Agreement and a Lease Agreement, and matters related thereto:

WHEREAS, the New Lexington City School District, County of Perry, Ohio (the "School District"), is in need of improvements at their athletic stadium to include new bleachers, lighting, repair or replacement of surrounding fencing along with renovations and improvements to the concession stand/press box (to include adding restroom facilities) and all necessary appurtenances thereto (the "Project") to be located on a parcel of land (referred to as the "Site") located in and owned by the School District; and

WHEREAS, in order to provide financing for the Project and pursuant to Ohio Revised Code Section 3313.375, it is determined to be necessary and appropriate to undertake a lease-purchase financings; and

WHEREAS, the estimated cost of the Project and the amount to be financed, including cost of issuance, using such lease-purchase program shall not exceed \$830,000;

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of the New Lexington City School District, County of Perry, Ohio, that:

Section 1. It is hereby determined to be necessary and in the best interest of the inhabitants and citizens of the School District, and the School District hereby agrees, to construct and improve, or cause to be constructed and improved, the Project on the Site in accordance with the plan of lease financing described in this Resolution and in the Bank's proposal with respect thereto, which is hereby accepted. The Project shall be acquired and constructed on the Site as more particularly described on Exhibit B to the Lease Agreement referred to herein.

Section 2. The School District shall lease the Site and related grounds and existing facilities to a financing entity pursuant to a Site Lease Agreement (the "Site Lease") to be dated as determined by the Treasurer, in substantially the form presently on file with this Board, which is hereby approved. The President of the Board, the Treasurer of the Board, the Superintendent of the School District, or any of them, are hereby authorized to execute and deliver the Site Lease on behalf of the School District with such changes not substantially adverse to the School District as the official executing the same may approve; the approval of such changes and that the same are not substantially adverse to the School District shall be conclusively evidenced by the execution of the Site Lease by such official. The initial term of the Site Lease shall be until June 30, 2016, provided that the financing entity shall have the right to renew for a total of not more than fifteen (15) additional renewal terms of one year each (except for the final renewal term which may be for less than one year), beginning on July 1, 2016 and continuing on July 1 of each year thereafter through and including the last renewal term which shall not be

later than July 1, 2030 to the earlier of June 30, 2031 or the termination date of the last permitted renewal term of the Lease (as defined below). The Site Lease shall provide for the payment, in advance, of rent in the amount of One Dollar (\$1.00) per year for all permitted renewal terms.

Section 3. The School District shall sublease the Site and related grounds and facilities back from the Bank pursuant to a Lease Agreement (the "Lease") to be dated of even date with the Site Lease, in substantially the form presently on file with this Board, which is hereby approved. The President of the Board, the Treasurer of the Board, the Superintendent of the School District, or any of them, are hereby authorized to execute and deliver the Lease on behalf of the School District with such changes not substantially adverse to the School District as the official executing the same may approve; the approval of such changes and that the same are not substantially adverse to the School District shall be conclusively evidenced by the execution of the Lease by such official. The Lease shall require the School District, as agent for the financing entity, to acquire and construct or cause to be acquired and constructed on the Site, the Site and the Project, and shall provide, among other things, for the payment of Base Rent from the School District to the financing entity.

Base Rent shall be payable in periodic installments over the term of the Lease, in such amounts and at such times as shall be set forth in the Lease, provided that the actual Base Rent payments shall not exceed in any year the amounts that would be required if the applicable interest rate was not to exceed four percent (4.00%) per annum applied on a principal amount of not to exceed \$830,000.

The Lease shall set forth if the Base Rent can be prepaid or the terms of prepaying Base Rent. The Lease shall also provide that upon the payment of all Base Rent payments, the School District shall receive title to the Site and the Project.

The initial term of the Lease shall be until June 30, 2016, provided that the School District shall have the right to renew the Lease for a total of not more than fifteen (15) additional renewal terms of one year each (except for the final renewal term which may be for less than one year), beginning on July 1, 2016 and continuing on July 1 of each year thereafter through and including the last renewal term which shall not be later than July 1, 2030 to the earlier of June 30, 2031 or the termination date of the last permitted renewal term. The Lease shall provide for termination in the event the School District fails to appropriate funds adequate to pay rent due with respect to any renewal term.

Section 4. The School District agrees to execute and perform the Site Lease and the Lease in accordance with the terms thereof. The Treasurer is hereby authorized to select a financing entity with the assistance of Boenning and Scattergood, Inc., who has been retained to serve as placement agent. The selection of such financing entity and the final terms of the financing shall be set forth on a Certificate of Award that the Treasurer is hereby authorized to sign.

Section 5. The Treasurer, the President of the Board and the Superintendent of the School District, or any of them, are hereby authorized and directed to execute and deliver, on behalf of the School District, such additional instruments, documents,

agreements, certificates, and other papers as may be in their discretion necessary or appropriate in order to carry out the intent of this Resolution in such forms as the official executing the same may approve.

Section 6. Nothing in the Site Lease, the Lease, or any agreements or documents relating thereto shall constitute or be construed or deemed to constitute a debt or bonded indebtedness or a general obligation of this Board, the School District or any agency of the School District. Neither the taxing power nor the full faith and credit of this Board or the School District are pledged or shall be pledged for the payment or security of the Site Lease, the Lease, or any other related agreement or document.

Section 7. The School District hereby covenants that it will restrict the use of the proceeds of the Lease hereby authorized in such manner and to such extent, if any, as may be necessary after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute “arbitrage bonds” under Sections 103(b)(2) and 148 of the Internal Revenue Code of 1986, as amended (the “Code”) and the regulations prescribed thereunder and will, to the extent possible, comply with all other applicable provisions of the Code and the regulations thereunder to retain the Federal income tax exemption for interest on the Lease, including any expenditure requirements, investment limitations, rebate requirements or use restrictions. The Treasurer or any other officer having responsibility with respect to the issuance of the Lease is authorized and directed to give an appropriate certificate on behalf of the School District, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to said Section 148 and the Regulations.

Section 8. The Lease is hereby designated a “qualified tax-exempt obligation” for the purposes set forth in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. This Board does not anticipate issuing more than \$10,000,000 of “qualified tax-exempt obligations” during calendar year 2016.

Section 9. There is hereby appropriated from the net proceeds of the Lease, to the extent the same are available for the payment of costs of the Project and the financing cost of issuance, a sum not to exceed \$830,000, to be used for the payment of such costs, as outlined herein. The Treasurer is hereby authorized to appropriate, from unappropriated funds, the sum necessary to pay the Base Rent payments due or coming due under the Lease for the term ending June 30, 2016.

Section 10. The law firm of Dinsmore & Shohl LLP be and is hereby retained as special counsel to the School District to prepare the necessary authorization and related closing documents for the issuance, sale and delivery of the Site Lease and the Lease, and, if appropriate, rendering its approving legal opinion in connection therewith. The Treasurer is authorized to sign an engagement letter with Dinsmore & Shohl LLP.

Section 11. It is hereby found and determined that all formal actions of this Board concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Board, and that all deliberations of this Board and of any of its committees that resulted in such formal action, were in meetings open to the public, in

compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

Section 12. This Resolution shall take effect immediately upon its adoption.

**THE VOTE: Nutt, yes; Davisson, yes; Burton, yes; McGaughey, yes.
President McGaughey declared the motion carried.**

Items for Discussion/Research Prior to Action

A. Committee Assignments and Designating

2015 Committee Assignments	2016 Committee Assignments
Communications - Nicole Enright	Bill Nutt
Finance - Jim Harley	Jim Harley
Personnel - Mike Davisson & Steve Burton	Mike Davisson & Steve Burton
Policy - John McGaughey	John McGaughey
Program - John McGaughey	John McGaughey
Support Services - Steve Burton & Jim Harley	Steve Burton & Jim Harley

B. Received resignation of Head Coach of High School Boys Basketball effective end of 2015-16 basketball season.

C. The appeal hearing for the case involving the old administrative building that was located at 101 Third Avenue will be held on January 21, 2016 at the Licking County Courthouse. Mr. Coffey and Mr. McGaughey will be attending.

It was moved by Davisson and seconded by McGaughey to adjourn the meeting.

**THE VOTE: Davisson, yes; McGaughey, yes; Nutt, yes; Burton, yes.
President McGaughey declared the motion carried.**

President

Treasurer