

**GOBLES PUBLIC SCHOOLS
BOARD OF EDUCATION SPECIAL OPEN MEETING MINUTES
FOR July 28, 2014**

I. Call to order

Board President, Mr. Brian Beam, opened the Special Board of Education Open Meeting at 7:00 p.m. in the Middle/High School Library.

II. Pledge of Allegiance

III. Roll Call

- a. Board Members Present
Mr. Brian Beam
Mr. Terry Doyle
Mr. Gary Napp
Mrs. Paula Sipes

- b. Board Members Absent
Mrs. Bonnie Miller
Mr. Dan Wahmhoff
Mr. Mitch Smith

- c. Staff Members Present
Mr. Jeff Rehlander, Superintendent

IV. Consideration and approval of the Agenda

Mr. Gary Napp moved, supported by Mr. Terry Doyle, to accept the Board of Education Agenda for July 28, 2014 as amended.

AYES: Doyle, Napp, Sipes, Beam

NAYS: None

ABSENT: Miller, Wahmhoff, Smith

ABSTAINED: None

The motion was declared adopted.

V. Acceptance of the Minutes of the Board of Education Meeting of June 9, 2014.

Mr. Terry Doyle moved, supported by Mr. Gary Napp, to accept the Board of Education Minutes of June 9, 2014.

AYES: Napp, Doyle, Beam, Sipes

NAYS: None

ABSENT: Miller, Wahmhoff, Smith

ABSTAINED: None

The motion was declared adopted.

VI. Acceptance of the Minutes of the Gobles Public Schools Foundation Annual Meeting, July 14, 2014.

Mr. Terry Doyle moved, supported by Mr. Gary Napp, to accept the Minutes of the Gobles Public Schools Foundation Annual Meeting, July 14, 2014.

AYES: Sipes, Beam, Doyle, Napp

NAYS: None

ABSENT: Miller, Wahmhoff, Smith

ABSTAINED: None

The motion was declared adopted.

VII. Acceptance of the Minutes of the Board of Education Meeting on July 14, 2014.

Mr. Gary Napp moved, supported by Mr. Terry Doyle, to accept the Minutes of the Board of Education Meeting, July 14, 2014.

AYES: Beam, Doyle, Napp, Sipes

NAYS: None

ABSENT: Miller, Wahmhoff, Smith

ABSTAINED: None

The motion was declared adopted.

VIII. Correspondence

Mr. Jeff Rehlander presented the plaque that was received for the marketing efforts of the District at the Van Buren Youth Fair; the display won Best Educational/Public Service Exhibit.

A preliminary official statement used to rate the 2014 Gobles Public School Bonds was shared with the Board of Education.

IX. Open the meeting to the public for non-agenda items.

None.

X. Administrative Reports

None.

XI. Board of Education Reports

None.

XII. Old Business

None.

XIII. New Business

1. **Bid For 2014 General Obligation Bonds**-On June 9, 2014 the Board authorized the issuance of bonds in the principal sum of Four Million Seven Hundred Thirty Thousand Dollars (\$4,730,000). At 11:30 a.m., on July 28, 2014, the Gobles Public Schools received 10 bids for the purchase of the bonds.

Mr. Jeff Rehlander presented to the board that bonds were sold today to an underwriter by the name of J.J. B. Hillard W. L. Lyons, Inc., which had the lowest interest rate at 2.677663 percent. You can see that we had ten bids from states all over the Country. The norm is two to four bids. The highest bid was 3.066307 percent. The good news is we had projected 4 percent in all of our financial projections and the net result of the 2.67 percent versus the 4.0 percent over the course of the bond repayment is savings of interest of \$508,169.00. Preliminary estimates suggest this could amount to one million dollars over the course of the loan and reduce the repayment of School Bond Loan Fund debt by four years. Additionally, the bid includes a premium of \$81,452.00 to spend or to reduce the debt.

Mr. Terry Doyle moved, supported by Mr. Gary Napp, to adopt a resolution to accept the bid of J.J.B. Hillard, W.L. Lyons, Inc. as submitted.

AYES: Doyle, Beam, Sipes, Napp

NAYS: None

ABSENT: Miller, Wahmhoff, Smith

ABSTAINED: None

The motion was declared adopted.

2. **Paying Agent**-Pursuant to the Gobles Public School Bonds of 2014, the administration has solicited bids for a Paying Agent.

Mr. Jeff Rehlander presented to the board that three quotes were received in regards to the paying agent for the Gobles Public Schools 2014-15 Bond. We chose the low quote from Huntington Bank for a total of \$4,500. Mr. Rehlander shared that a paying agent is responsible for sending proceeds to the investors that buy the individual bonds.

Mr. Gary Napp, moved, supported by Mrs. Paula Sipes, to recommend that the Board of Education approve the low bid from Huntington Bank in the amount of \$4,500 dollars.

AYES: Napp, Sipes, Beam, Doyle
NAYS: None
ABSENT: Miller, Wahmhoff, Smith
ABSTAINED: None
The motion was declared adopted.

- 3. School Bond Loan Annual Millage Recalculation**-Legislation now requires districts to perform an annual millage recalculation to determine if they are levying a sufficient debt millage to repay any School Bond Loan Program loans by their Final Mandatory Repayment Date.

Mr. Jeff Rehlander presented to the board that this requirement is brand new. Our millage is going to go from 7 to 9 as we all know with the new bond. This is no change from what was sent in initially to Treasury with our bond project.

Mr. Terry Doyle moved, supported by Mr. Gary Napp, that the the Board of Education approve the millage recalculation attached that was completed in conjunction with our financial adviser at Stauder Barch.

AYES: Sipes, Napp, Doyle, Beam
NAYS: None
ABSENT: Miller, Wahmhoff, Smith
ABSTAINED: None
The motion was declared adopted.

- 4. Annual School Bond Loan Activity Application**-Public Act 92 of 2005 requires that districts participating in the School Bond Loan Program file an Annual Activity Application.

Mr. Jeff Rehlander presented to the board that this agenda item is in regards to our winter levy. The last page on the bottom right hand corner of \$66,300.00 is what we need to borrow to help pay for the winter levy.

Mr. Terry Doyle moved, supported by Mr. Gary Napp that the Board of Education adopts a resolution approving the School Bond Loan Program Annual Activity Application.

AYES: Beam, Doyle, Napp, Sipes
NAYS: None
ABSENT: Miller, Wahmhoff, Smith
ABSTAINED: None
The motion was declared adopted.

5. **State Aid Note**-A school district is authorized to borrow money for school operations and issue notes pledging for the payment of these monies to be received by it from the school aid fund.

Mr. Rehlander presented to the board that the State Aid Note is a one time of the year thing and since we do not get State Aid every month, we need to borrow to cover ourselves. The only thing we are out for is the interest rate for what we are borrowing, as what we borrow will be made up by State Aid.

Mrs. Paula Sipes moved, supported by Mr. Gary Napp, based upon the recommendation of the administration, that the Board of Education adopt a resolution approving the immediate need to borrow the sum of not to exceed Two Million Five Hundred Thousand Dollars to pay current operating expenses for fiscal year 2014-2015.

AYES: Doyle, Beam, Sipes, Napp

NAYS: None

ABSENT: Miller, Wahmhoff, Smith

ABSTAINED: None

The motion was declared adopted.

6. **Closed Session**-The administration is currently in negotiations with two employee groups.

- A. Mrs. Paul Sipes moved, supported by Mr. Terry Doyle that the Board moves into closed session at 7:28 p.m., based on section 8(c) of the Michigan Open Meeting Act, MCL15.268 for negotiation planning.

AYES: Doyle, Beam, Sipes, Napp

NAYS: None

ABSENT: Miller, Wahmhoff, Smith

ABSTAINED: None

The motion was declared adopted.

- B. Mrs. Paula Sipes moved, supported by Mr. Gary Napp, to return to open session at 7:46 p.m. and approve the minutes as read in closed session.

AYES: Sipes, Napp, Doyle, Beam

NAYS: None

ABSENT: Miller, Wahmhoff, Smith

ABSTAINED: None

The motion was declared adopted.

XIV. Adjourn the Meeting

Mr. Gary Napp moved, supported by Mr. Terry Doyle, to adjourn the meeting at 7:46 p.m. The motion was declared adopted.

Paula Sipes, Secretary
Gobles Board of Education