

The South Point Local Board of Education held its regular meeting on December 17, 2009 at 6:30 p.m. The following members present: Mrs. Cogan, Mr. Keffer, Mr. Roberts, Mr. Sherman and Mr. West.

Mr. West led prayer and the Board led the Pledge of Allegiance.

288-09 MINUTES APPROVED

Mr. Sherman moved second by Mrs. Cogan to approve the minutes of the November board meeting.

The vote was: Mrs. Cogan, yea; Mr. Keffer, yea; Mr. Roberts, yea; Mr. Sherman, yea; Mr. West, yea.
Motion carried.

289-09 APPROVAL OF BILLS

Mrs. Cogan moved second by Mr. Keffer to review and approve payment of November bills paid.

The vote was: Mrs. Cogan, yea; Mr. Keffer, yea; Mr. Roberts, yea; Mr. Sherman, yea; Mr. West, yea.
Motion carried.

290-09 FINANCIAL REPORT APPROVED

Mrs. Cogan moved second by Mr. Sherman to approve the financial report, including the bank reconciliation, the SM-2 report, the financial summary report, the FUNDSUMM report and a list of all checks paid for the month of November, 2009 as presented by the Treasurer.

The vote was: Mrs. Cogan, yea; Mr. Keffer, yea; Mr. Roberts, yea; Mr. Sherman, yea; Mr. West, yea.
Motion carried.

291-09 ORGANIZATIONAL MEETING/BUDGET HEARING SCHEDULED

Mr. Sherman moved second by Mr. Roberts to schedule the organizational meeting for January 11, 2010 at 6:15 p.m. at the office of the Board of Education. A budget hearing for fiscal year 2010-11 will be held prior to the organizational meeting at 6:00 p.m. and the regular meeting of the Board will follow the organizational meeting at 6:30 p.m.

The vote was: Mrs. Cogan, yea; Mr. Keffer, yea; Mr. Roberts, yea; Mr. Sherman, yea; Mr. West, yea.
Motion carried.

292-09 OHIO SCHOOL COMP RETROSPECTIVE RATING PROGRAM

Mrs. Cogan moved second by Mr. Sherman to approve participation in the Ohio School Comp Group Retrospective Rating Program for the 2010 rating year as presented by the Treasurer.

The vote was: Mrs. Cogan, yea; Mr. Keffer, yea; Mr. Roberts, yea;
Mr. Sherman, yea; Mr. West, yea.
Motion carried.

293-09 PROM COMMITTEE FUND RAISERS APPROVED

Mrs. Cogan moved second by Mr. Sherman to approve the following fundraisers for the SPHS prom committee as requested by Ronda Franklin, sponsor.

Raffles	Holiday item sales
Candy sales	Magazine sales
Baby sitting nights	Pretzel sales
Bake sales	Coupon book/sticker sales
Rummage sale	Cookie dough sales
Craft fair	Candle sales

The vote was: Mrs. Cogan, yea; Mr. Keffer, yea; Mr. Roberts, yea;
Mr. Sherman, yea; Mr. West, yea.
Motion carried.

294-09 J. MAYNARD RESIGNATION

Mrs. Keffer moved second by Mrs. Cogan to accept the resignation of Jennifer Maynard as Intervention Specialist at Burlington Elementary effective January 8, 2010 as per her request.

The vote was: Mrs. Cogan, yea; Mr. Keffer, yea; Mr. Roberts, yea;
Mr. Sherman, yea; Mr. West, yea.
Motion carried.

295-09 NON-CERTIFIED SUBSTITUTES HIRED

Mr. Sherman moved second by Mr. Keffer to hire the following non-certified substitutes as recommended by the Superintendent.

1. Abbott, Glenna - bus driver, custodian; secretary;
2. Burton, Buddy - bus driver
3. Pemberton, Karen - nurse
4. Runyon, Gailord Preston II - custodian, cook
5. Wallace, Sarah - cook

The vote was: Mrs. Cogan, yea; Mr. Keffer, yea; Mr. Roberts, yea;
Mr. Sherman, yea; Mr. West, yea.
Motion carried.

296-09 TROY BOSTWICK HIRED, BUS DRIVER

Mr. Sherman moved second by Mr. West to hire Troy Bostwick as bus driver as recommended by the Superintendent.

The vote was: Mrs. Cogan, yea; Mr. Keffer, yea; Mr. Roberts, yea; Mr. Sherman, yea; Mr. West, yea.
Motion carried.

297-09 EXECUTIVE SESSION

Mr. Sherman moved second by Mrs. Cogan to go into executive session to discuss personnel matters, classroom facilities and district finances.

The vote was: Mrs. Cogan, yea; Mr. Keffer, yea; Mr. Roberts, yea; Mr. Sherman, yea; Mr. West, yea.
Motion carried.

Out 6:45 p.m.

298-09 RETURN FROM EXECUTIVE SESSION

Mr. Sherman moved second by Mr. West to return from executive session.

The vote was: Mrs. Cogan, yea; Mr. Keffer, yea; Mr. Roberts, yea; Mr. Sherman, yea; Mr. West, yea.
Motion carried.

Back 10:40 p.m.

President said personnel matters, classroom facilities and district finances were discussed. Upon roll call all members were present:

299-09 DAVID ASHWORTH HIRED, SUBSTITUTE TEACHER

Mrs. Cogan moved second by Mr. Sherman to hire David Ashworth as substitute teacher for the 2009-10 school year as recommended by the Superintendent.

The vote was: Mrs. Cogan, yea; Mr. Keffer, yea; Mr. Roberts, yea; Mr. Sherman, yea; Mr. West, yea.
Motion carried.

300-09 RESOLUTION AUTHORIZING LEASE-PURCHASE FINANCING

Mr. West moved second by Mr. Sherman to approve the following resolution:

RESOLUTION AUTHORIZING THE LEASE-PURCHASE FINANCING OF CONSTRUCTION OF BUILDINGS, SITE IMPROVEMENTS AND ACQUISITION AND INSTALLATION OF EQUIPMENT, COMPRISING A PORTION OF THE SCHOOL DISTRICT'S ATHLETIC COMPLEX, INCLUDING AMENDING A LEASE-PURCHASE AGREEMENT, AND MATTERS RELATED THERETO.

WHEREAS, the South Point Local School District, County of Lawrence, Ohio (the "School District"), is in need of constructing buildings and site improvements, and acquiring and installing equipment, comprising a portion of the school district's athletic complex, on

existing School District property, specifically a softball/baseball field, dugouts, concession building and related improvements (the "Project"); and

WHEREAS, in order to provide financing for the acquisition and construction of such facilities and pursuant to Ohio Revised Code Section 3313.375 it is determined to be necessary and appropriate to undertake a lease-purchase financing program as described herein; and

WHEREAS, the amount to be financed shall not exceed \$350,000, which amount does not exceed the cost of the Project; and

WHEREAS, the School District has previously entered into a Lease-Purchase Agreement (the "Lease") dated as of June 20, 2006 with U.S. Bank National Association (the "Bank") in order to fund improvements to the School District's athletic complex; and

WHEREAS it is necessary to construct the Project on the same site which is subject to the Lease and the Bank has agreed to provide additional financing for the Project under the Lease;

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of the South Point Local School District, County of Lawrence, 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 acquire and construct, or cause to be acquired and constructed, the Project, in accordance with the plan of lease-purchase financing described in this Resolution.

Section 2. The School District shall lease the Project from the Bank pursuant to the Lease, which shall be amended to provide for such additional financing and such additional terms, as needed. 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, as so amended, on behalf of the School District. The Lease shall require the School District, as agent for the Bank, to acquire and construct or cause to be acquired and constructed, the Project, and shall provide, among other things, for the payment of Base Rent from the School District to the Bank. Base Rent shall be payable in periodic installments over the term of the Lease, in such amounts and at such times as shall be determined by the Treasurer, provided that the average annual Base Rent payments for the Project over the life of the Lease shall not exceed the amount that would be required if the applicable interest rate were three and forty-nine hundredths percent (3.49%) per annum applied on a principal amount of not to exceed \$350,000, such interest to be computed on the basis of a 360-day year and actual days elapsed. The initial term of the amended Lease for financing the Project shall be until June 30, 2010, provided that the School District shall have the right to renew the amended Lease for a total of not more than eight (8) additional one-year renewal terms as determined by the Treasurer, beginning on July 1, 2010 and continuing on July 1 of each year thereafter through and including the last renewal term which shall not be later than July 1, 2017 to June 30, 2018. 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. The interest rate on the Lease shall be three and forty-nine hundredths per centum (3.49%) per annum.

Section 3. The School District agrees to execute and perform the Lease in accordance with the terms thereof. The School District agrees to comply with the terms and conditions of such additional documents and agreements relating thereto as shall be deemed, by the Treasurer or the President of the Board, in their discretion, necessary or appropriate in connection with the financing herein described. Peck, Shaffer & Williams LLP, bond counsel, is hereby retained and authorized to prepare all necessary documents required to complete this lease-purchase financing and the Treasurer of the School District is hereby authorized to execute a letter of engagement with such firm.

Section 4. 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 5. Nothing in 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 Lease, or any other related agreement or document.

Section 6. 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 7. The financing of the Project pursuant to 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 \$30,000,000 of "qualified tax-exempt obligations" during calendar year 2010.

Section 8. 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, a sum not to exceed \$350,000, to be used for the payment of such costs, as outlined herein. There is further appropriated, from unappropriated funds currently on deposit in the General Fund of the School District, a sum not to exceed \$350,000 to pay the cost of lease payments due or coming due under the Lease for the initial term ending June 30, 2010.

Section 9. 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 10. This Resolution shall take effect immediately upon its adoption.

The vote was: Mrs. Cogan, no; Mr. Keffer, yea; Mr. Roberts, no;
Mr. Sherman, yea; Mr. West, yea.
Motion carried.

Mr. Roberts asked that the following comment be included in the minute record related to Resolution #300-09:

Mr. Roberts states that while he fully supports the athletic programs in the South Point Schools, due to the projected \$1.4 million deficit reported in the 5-year forecast, he cannot vote for a resolution to borrow \$350,000 at this time for this expenditure. He feels that this capital expense needs to be prioritized with other potential upcoming expenses including bus replacements, drainage issues, parking, technology and playgrounds, while maintaining sufficient funds for basic district operating costs.

Mr. West asked that the following comment be included in the minute record related to Resolution #300-09:

Mr. West states that \$124,000 of the funds included in the capital improvement project will be used to correct erosion problems at the South Point High School/Middle School site. Also, if the District does not borrow funds, additional operating dollars will be required to improve the existing fields that are now being used by the softball and baseball teams. In addition, Mr. West states that should the project be re-bid, the bids received for the capital improvement of the fields at SPSHS/MS will likely exceed the bid received at this time. For these reasons, he feels that the Board is justified in entering into a lease-purchase borrowing to make the capital improvements.

Treasurer's comment: Due to the lack of passage of a state budget for the 2010-2011 biennium, the current approved forecast is based on a potential 4% cut to state funding. The state budget was passed today - 12/17/09 and an updated forecast will be presented at the January Board meeting.

301-09 BASEBALL/SOFTBALL FIELD CONTRACT AWARD

Mr. West moved second by Mr. Sherman to award the contract to construct a baseball/softball complex at the South Point High School/Middle School site to Stockmeister Enterprises, Inc. at a cost of \$333,940.00.

The vote was: Mrs. Cogan, yea; Mr. Keffer, yea; Mr. Roberts, no;
Mr. Sherman, yea; Mr. West, yea.
Motion carried.

302-09 ADJOURN

Mr. Keffer moved second by Mrs. Cogan to adjourn the meeting.

The vote was: Mrs. Cogan, yea; Mr. Keffer, yea; Mr. Roberts,
absent; Mr. Sherman, absent; Mr. West, yea.
Motion carried.