

West Valley Central School Board of Education

Official Minutes

Regular Meeting

August 6, 2018

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Members Present: Kazmierczak, Samborski, Ploetz, Harmony, Niesyty, Kowalski

Absent: Cizdziel

Others Present: Lawton, Amodeo, O'Brien, Boberg, John Seltzer, Gene Seville, Jim Wangelin, Max Borsuk – Springville Journal, Bill Koch

I. CALL to ORDER

The meeting was called to order at 7:03 pm by Timothy Ploetz, Board of Education President presiding.

II. PLEDGE OF ALLEGIANCE TO THE UNITED STATES FLAG

A moment of silence for Pete Cizdziel – 1985 West Valley graduate and brother-in-law of Kim Cizdziel

III. Moved by Samborski, seconded by Harmony to **ADOPT the **AGENDA** as is stated:**

Additions: none

Deletions: none

Changes: none

6 ayes, 0 nays, motion accepted

IV. Correspondence/BOE information

Eric Lawton read a part of the resignation letter from Ashley Martin. She took a job closer to her home and will have more family time.

V. PUBLIC COMMENTS

The Board of Education invites you, the residents of our school community, to feel comfortable in sharing matters of interest or concern that you might have with us.

The Board President will be happy to recognize those of you who wish to speak. Please indicate this on the sign in sheet and you will be called on in order, identify yourself with your name and address.

Those items brought to the attention of the Board during this time may be taken under consideration for future response or action. We ask that individual comments be limited to a few minutes in order to accomplish the evening's agenda.

We respectfully ask that issues related to specific school district personnel or students be brought to the attention of the Superintendent or Principal privately.

Bill Koch- commented on taxes – he states that West Valley School is holding onto the taxpayers' money, he wants to know why the school cannot fund a study during a contingent budget? Even though the recent feasibility shows that Ellicottville is not a feasible district, he feels it is. John Seltzer states that if you wanted a full study – why keep voting the budget down. Bill Koch states that he did not realize that it would hold up the process.

VI. BOARD COMMENTS

Within this section of the agenda, the Board of Education or Administration may take the opportunity to comment on matters of interest or concern.

none

VII. PRESENTATIONS

none

VIII. REPORTS

A. Superintendent, Eric Lawton reported to the board that there are some questions that need to be discussed before the workshop meeting on Monday. What should the workshop presentation include? What format should we use to gather information from our stakeholders? What information should we have readily available at the meeting? Should we have a facilitator? Tim Ploetz suggested that it be someone familiar with Board of Education duties but not tied to Springville, West Valley or Ellicottville, so this person would not be bias. They have a person in mind, but would have to confirm if that is what the whole board would like to do. Should we record the meeting to be sure that we have every question from the community? After discussion the board decided to have an open format to let the public voice their concerns/opinions, it will be audio taped and a facilitator is necessary to keep the meeting on track. Informational flyer regarding workshop on August 14 will be mailed out to all residents that live in district. Recommends all the motions on the agenda. Need to go into executive session for legal and negotiations.

Admin retreat was excellent – The BOE goals help the Administration to establish their goals and then produce teacher goals.

Thanks to Lynda Quick, District Superintendent for her service to this area. She will be missed

B. Principal, Daniel Amodeo reported on the change in the bell schedule – 1 minute will be deducted from each period and added to the time between periods. Code of Conduct has been reviewed and changes made – he will email the changes to each board member. Will be eliminating sections that do not specifically apply to student conduct or conduct of individuals on school property. The Code of Conduct in the past included miscellaneous information that would be more appropriate for a student/parent handbook. First round of interviews are being scheduled and bringing in seven potential candidates. The goal is to have a candidate for the next board of education meeting.

C. Business Official, Ann O'Brien reports on the adoption to the tax warrant. The board typically adopts the tax warrant after the assessed values have been finalized by Cattaraugus County and the equalization rates have been finalized by New York State. Greene County Commercial Bank was the lowest bidder on the Bus BAN at a 2.35% interest rate. Hodgson Russ is recommending that the district formally adopt post issuance compliance procedures for the issuance of bonds.

IX. CONSENT AGENDA

none

X. PERSONNEL

A. Moved by Samborski, seconded by Kowalski to approve Pat Connor as the 7th grade adviser for the 2018/2019 school year, pay according to the WVCS/WVTA contract. 5 ayes, 1 nay (Niesyty), motion accepted

B. Moved by Samborski, seconded by Kowalski to approve Mary Green as a substitute bus driver for the 2018-19 school year, rate of pay set at annual reorganizational meeting on July 10, 2018. 6 ayes, 0 nays, motion accepted

C. Moved by Samborski, seconded by Niesyty to approve Emily Hopkins as a substitute teacher aide and substitute teacher (uncertified) for the 2018-19 school year, pay according to the WVCS/WVTA contract. 6 ayes, 0 nays, motion accepted

D. Moved by Harmony, seconded by Samborski to approve Dana Lembke (coach) for the Boys on the Right Track program for the 2018/19 school year, pay according to the WVCS/WVTA contract. 6 ayes, 0 nays, motion accepted

E. Moved by Kowalski, seconded by Samborski to approve Dana Lembke as the trap club advisor for the 2018/19 school year, pay according to the WVCS/WVTA contract. 6 ayes, 0 nays, motion accepted

F. Moved by Harmony, seconded by Samborski to accept, with regret, the resignation of Ashley Martin from the position of 7-12 English Teacher effective August 25th. 6 ayes, 0 nays, motion accepted

XI. OLD BUSINESS:

none

XII: NEW BUSINESS:

A. Moved by harmony, seconded by Niesyty to approve the following resolution:

GENERAL RESOLUTION

FOR THE PURPOSE OF

PARTICIPATING IN A COOPERATIVE BID COORDINATED BY

THE BOARD OF COOPERATIVE EDUCATIONAL SERVICES OF

ONTARIO, SENECA, WAYNE AND YATES COUNTIES

FOR

Cooperative Electricity Bid WFL 2019-12

WHEREAS, The Board of Education, West Valley Central School District of New York State desires to participate in a Cooperative Bidding Program conducted by The Board of Cooperative Educational Services of Ontario, Seneca, Wayne and Yates Counties from year to year or, until this Resolution is rescinded, for the purchase of supply of electricity. And...

WHEREAS, The Board of Education, West Valley Central School District of New York State is desirous of participating with The Board of Cooperative Educational Services of Ontario, Seneca, Wayne and Yates Counties in the joint bid of the commodities and/or services mentioned below as authorized by General Municipal Law, Section 119-o... And...

WHEREAS, The Board of Education, West Valley Central School District of New York State has appointed The Board of Cooperative Educational Services of Ontario, Seneca, Wayne and Yates Counties as representative to assume the responsibility for drafting of specifications, advertising for bids, accepting and opening bids, tabulating bids, reporting the results to the Board of Education, West Valley Central School District of New York State and making recommendations thereon...

THEREFORE...

BE IT RESOLVED, That The Board of Education, West Valley Central School District of New York State and The Board of Cooperative Educational Services of Ontario, Seneca, Wayne and Yates Counties hereby accepts the appointment of The Board of Cooperative Educational Services of Ontario, Seneca, Wayne and Yates Counties to represent it in all matters related above... And...

BE IT FURTHER RESOLVED, That The Board of Education West Valley Central School District of New York State authorizes the above-mentioned Board of Cooperative Educational Services of Ontario, Seneca, Wayne and Yates Counties to represent it in all matters regarding the entering into contract for the purchase of the below-mentioned commodities and/or services... And...

BE IT FURTHER RESOLVED, That The Board of Education West Valley Central School District of New York State agrees to assume its equitable share of the costs incurred as a result of the cooperative bidding... And... NOW, THEREFORE, BE IT RESOLVED, That The West Valley Central School District, on behalf of the Board of Education, West Valley Central School District of New York State hereby is authorized to participate in cooperative bidding conducted by The Board of Cooperative Educational Services of Ontario, Seneca, Wayne and Yates Counties for supply of electricity and if requested to furnish The Board of Cooperative Educational Services of Ontario, Seneca, Wayne and Yates Counties an estimated minimum number of units that will be purchased by The Board of Cooperative Educational Services of Ontario, Seneca, Wayne and Yates Counties. The Board of Cooperative Educational Services of Ontario, Seneca, Wayne and Yates Counties is hereby authorized to award cooperative bids to the bidder deemed to be the lowest responsive and responsible meeting the bid specifications and otherwise complying with Article 5-A of the General Municipal Law of the State of New York relating to public bids and contracts.

6 ayes, 0 nays, motion accepted

B. Moved by Samborski, seconded by Harmony to approve the 2018-2019 tax levy in the total sum of \$3,003,939. (*The signed tax warrant is attached to the official meeting minutes*). 6 ayes, 0 nays, motion accepted

C. Moved by Samborski, seconded by Harmony Consider to approve the following:

**RESOLUTION, DATED AUGUST 6, 2018, OF THE BOARD OF
EDUCATION OF THE WEST VALLEY CENTRAL SCHOOL
DISTRICT, CATTARAUGUS COUNTY, NEW YORK (THE
"DISTRICT") ADOPTING POST-ISSUANCE TAX
COMPLIANCE PROCEDURES**

WHEREAS, the Internal Revenue Service has issued regulations requiring issuers of tax-exempt obligations to certify on various forms that they actively monitor compliance with federal tax rules following the issuance of such obligations; and

WHEREAS, the District is a periodic issuer of tax-exempt obligations and thus is subject to the aforementioned compliance requirements which are critical for the preservation of the preferential tax status of those obligations; and

WHEREAS, it is therefore in the best interest of the District to adopt formal written procedures to ensure such compliance and to designate an official responsible for ensuring that such procedures are followed; and

WHEREAS, Hodgson Russ LLP, as bond counsel to the District, has prepared (and has recommended that the District adopt) comprehensive post-issuance tax compliance procedures;

NOW THEREFORE, BE IT RESOLVED, that the District hereby adopts the comprehensive post-issuance tax compliance procedures that are attached hereto as "Schedule A" and resolves to be governed thereby; and be it further

RESOLVED, that the below Schedule A will be placed in its entirety in the official records, files and minutes of the District and adhered to going forward; and be it further

RESOLVED, that this resolution shall take effect immediately upon its adoption.

Schedule A

WEST VALLEY CENTRAL SCHOOL DISTRICT, CATTARAUGUS COUNTY, NEW YORK Post-Issuance Tax Compliance Procedures for Tax-Exempt Bonds and Notes

Statement of Purpose

These Post-Issuance Tax Compliance Procedures (the "Procedures") set forth specific procedures of the **West Valley Central School District, Cattaraugus County, New York** (the "Issuer") designed to monitor, and ensure compliance with, certain requirements of the Internal Revenue Code of 1986, as amended (the "Code") and the related Treasury regulations promulgated thereunder (the "Treasury Regulations") in connection with the Issuer's issuance of tax-exempt bonds and notes ("Obligations").

These Procedures describe various systems designed to identify, on a timely basis, facts relevant to demonstrating compliance with the requirements that must be satisfied subsequent to the issuance of Obligations to ensure that the interest on such Obligations is eligible for exclusion from gross income for federal income tax purposes. The federal tax law requirements applicable to the Obligations will be described in the tax questionnaire and/or

tax certificate prepared by bond counsel and signed by officials of the Issuer. These Procedures establish a permanent, ongoing structure of practices that will facilitate compliance with the requirements for individual borrowings.

To ensure compliance with applicable federal tax requirements, the Issuer must monitor the various direct and indirect uses of proceeds of the obligation and the investment of such proceeds, including but not limited to:

- (1) Monitoring the use of financed property over the life of the obligation.
- (2) Determining the sources of debt service payments and security for the obligation.
- (3) Calculating the percentage of any nonqualified use of the financed property.
- (4) Calculating the yield on investments of proceeds.
- (5) Determining appropriate restrictions on investments.
- (6) Determining the amount of any arbitrage on the investments.
- (7) Calculating any arbitrage rebate payments that must be paid to the U.S. Treasury.

The Issuer recognizes that compliance with the pertinent law is an on-going process, necessary during the entire term of the Obligations. Accordingly, the implementation of the Procedures will require on-going monitoring and consultation with bond counsel and the Issuer's accountants and municipal advisor.

General Procedures

The following procedures relate to monitoring post-issuance tax compliance generally.

- A. **The School Business Official (currently, Ann M. O'Brien, CPA) (the "Compliance Officer")** shall be responsible for monitoring post-issuance tax compliance issues.
- B. The Compliance Officer will coordinate procedures for record retention and review of such records.
- C. All documents and other records relating to Obligations must be maintained by or at the direction of the Compliance Officer. In maintaining such documents and records, the Compliance Officer will comply with applicable Internal Revenue Service ("IRS") requirements, such as those contained in Revenue Procedure 97-22 (see the reference materials presented herewith, referred to herein as "Reference Materials").

- D. The Compliance Officer shall be aware of remedial actions under Section 1.141-12 of the Treasury Regulations (see Reference Materials) and the Treasury's Tax-Exempt Bonds Voluntary Closing Agreement Program (VCAP) and take such corrective action when necessary and appropriate.
- E. The Compliance Officer will review post-issuance tax compliance procedures and systems on a periodic basis, but not less than annually.
- F. The Compliance Officer will be responsible for training any designated officer or employee who is delegated any responsibility for monitoring compliance pursuant to this procedure. To the extent the Compliance Officer needs training or has any questions with respect to any item in this procedure, he or she should contact bond counsel and/or Issuer's accountants and advisors. The IRS recognizes that the Compliance Officer and any delegated individual are not expected to act as lawyers who know the proper response to all compliance situations that may arise, but they should be familiar enough with federal tax issues that they know when to ask for legal or other compliance advice.

Issuance of Obligations: Documents and Records

With respect to each issue of Obligations, the Compliance Officer will:

- A. Obtain and store a closing binder and/or CD or other electronic copy of the relevant and customary transaction documents (the "Transcript").
- B. Confirm that the applicable information reports (e.g., Form 8038 series) for such issue are filed timely with the IRS. Issuer should consult with their accountants and/or bond counsel with questions regarding the filing of such forms.
- C. Coordinate receipt and retention of relevant books and records with respect to the investment and expenditure of the proceeds of such Obligations.

Arbitrage

The following procedures relate to the monitoring and calculating of arbitrage and compliance with specific arbitrage rules and regulations.

The Compliance Officer will:

- A. Confirm that a certification of the initial offering prices of the Obligations with such supporting data, if any, required by bond counsel, is included in the Transcript.

- B. Confirm that a computation of the yield on such issue from the Issuer's municipal advisor or bond counsel (or an outside arbitrage rebate specialist) is contained in the Transcript.
- C. Maintain a system for tracking investment earnings on the proceeds of the Obligations.
- D. Coordinate the tracking of expenditures, including the expenditure of any investment earnings. If the project(s) to be financed with the proceeds of the Obligations will be funded with multiple sources of funds, confirm that the Issuer has adopted an accounting methodology that maintains each source of financing separately and monitors the actual expenditure of proceeds of the Obligations.
- E. Maintain a procedure for the allocation of proceeds of the issue and investment earnings to expenditures, including the reimbursement of pre-issuance expenditures. This procedure shall include an examination of the expenditures made with proceeds of the Obligations within 18 months after each project financed by the Obligations is placed in service and, if necessary, a reallocation of expenditures in accordance with Section 1.148-6(d) of the Treasury Regulations (see Reference Materials).
- F. Monitor compliance with the applicable "temporary period" (as defined in the Code and Treasury Regulations) exceptions for the expenditure of proceeds of the issue, and provide for yield restriction on the investment of such proceeds if such exceptions are not satisfied.
- G. Ensure that investments acquired with proceeds of such issue are purchased at fair market value. In determining whether an investment is purchased at fair market value, any applicable Treasury Regulation safe harbor may be used.
- H. Avoid formal or informal creation of funds reasonably expected to be used to pay debt service on such issue without determining in advance whether such funds must be invested at a restricted yield.
- I. Consult with bond counsel prior to engaging in any post-issuance credit enhancement transactions or investments in guaranteed investment contracts.
- J. Identify situations in which compliance with applicable yield restrictions depends upon later investments and monitor implementation of any such restrictions.
- K. Monitor compliance with six-month, 18-month or 2-year spending exceptions to the rebate requirement, as applicable.
- L. Procure a timely computation of any rebate liability and, if rebate is due, to file a Form 8038-T and to arrange for payment of such rebate liability.

- M. Arrange for timely computation and payment of "yield reduction payments" (as such term is defined in the Code and Treasury Regulations), if applicable.

Private Activity: Use of Proceeds

The following procedures relate to the monitoring and tracking of private uses and private payments with respect to facilities financed with the Obligations.

The Compliance Officer will:

- A. Maintain records for determining and tracking facilities financed with specific Obligations and the amount of proceeds spent on each facility.
- B. Maintain records, which should be consistent with those used for arbitrage purposes, to allocate the proceeds of an issue and investment earnings to expenditures, including the reimbursement of pre-issuance expenditures.
- C. Maintain records allocating to a project financed with Obligations any funds from other sources that will be used for otherwise non-qualifying costs.
- D. Monitor the expenditure of proceeds of an issue and investment earnings for qualifying costs.
- E. Monitor private use of financed facilities to ensure compliance with applicable limitations on such use. Examples of potential private use include:
 1. Sale of the facilities, including sale of capacity rights;
 2. Lease or sub-lease of the facilities (including leases, easements or use arrangements for areas outside the four walls, e.g., hosting of cell phone towers) or leasehold improvement contracts;
 3. Management contracts (in which the Issuer authorizes a third party to operate a facility, e.g., cafeteria) and research contracts;
 4. Preference arrangements (in which the Issuer permits a third party preference, such as parking in a public parking lot);
 5. Joint-ventures, limited liability companies or partnership arrangements;
 6. Output contracts or other contracts for use of utility facilities (including contracts with large utility users);
 7. Development agreements which provide for guaranteed payments or property values from a developer;
 8. Grants or loans made to private entities, including special assessment agreements; and
 9. Naming rights arrangements.

Monitoring of private use should include the following:

1. Procedures to review the amount of existing private use on a periodic basis but not less than annually; and
2. Procedures for identifying in advance any new sale, lease or license, management contract, sponsored research arrangement, output or utility contract, development agreement or other arrangement involving private use of financed facilities and for obtaining copies of any sale agreement, lease, license, management contract, research arrangement or other arrangement for review by bond counsel.

If the Compliance Officer identifies private use of facilities financed with tax-exempt debt, the Compliance Officer will consult with bond counsel to determine whether private use will adversely affect the tax status of the issue and if so, what remedial action is appropriate. The Compliance Officer should retain all documents related to any of the above potential private uses.

Reissuance

The following procedures relate to compliance with rules and regulations regarding the reissuance of Obligations for federal law purposes.

The Compliance Officer will identify and consult with bond counsel regarding any post-issuance change to any terms of an issue of Obligations which could potentially be treated as a reissuance for federal tax purposes.

Record Retention

The following procedures relate to retention of records relating to the Obligations issued.

The Compliance Officer will:

- A. Coordinate with staff regarding the records to be maintained by the Issuer to establish and ensure that an issue remains in compliance with applicable federal tax requirements for the life of such issue.
- B. Coordinate with staff to comply with provisions imposing specific recordkeeping requirements and cause compliance with such provisions, where applicable.
- C. Coordinate with staff to generally maintain the following:
 1. The Transcript relating to the transaction (including any arbitrage or other tax questionnaire, tax regulatory agreement, and the bond counsel opinion);
 2. Documentation evidencing expenditure of proceeds of the issue;

3. Documentation regarding the types of facilities financed with the proceeds of an issue, including, but not limited to, whether such facilities are land, buildings or equipment, economic life calculations and information regarding depreciation;
 4. Documentation evidencing use of financed property by public and private entities (e.g., copies of leases, management contracts, utility user agreements, developer agreements and research agreements);
 5. Documentation evidencing all sources of payment or security for the issue; and
 6. Documentation pertaining to any investment of proceeds of the issue (including the purchase and sale of securities, yield calculations for each class of investments, actual investment income received by the investment of proceeds, guaranteed investment contracts, and rebate calculations).
- D. Coordinate the retention of all records in a manner that ensures their complete access to the IRS.
- E. Keep all material records for so long as the issue is outstanding (including any refunding), plus seven years.

6 ayes, 0 nays, motion accepted

D. Moved by Samborski, seconded by Niesyty to approve the following NYCLASS resolution:

WHEREAS, New York General Municipal Law, Article 5-G, Section 119-o ("Section 119-o" empowers municipal corporations [defined in Article 5-G, Section 119-n to include school districts boards of cooperative educational services, counties, cities, town and villages] and districts to enter into, amend, cancel and terminate agreements for the performance among themselves (or one for the other) of their respective functions, powers and duties on a cooperative or contract basis;

WHEREAS, the West Valley Central School District wishes to invest certain of its available investments funds in cooperation with other corporations and/or districts pursuant to a municipal cooperation agreement;

WHEREAS, the West Valley Central School District wishes to assure the safety and liquidity of its funds;

Now, therefore, it is hereby resolved as follows:

The Superintendent is hereby authorized to execute and deliver the Cooperative Investment Agreement in the name of and on behalf of the West Valley School District.

6 ayes, 0 nays, motion accepted

E. Moved by Kowalski, seconded by Samborski to approve the internal claims auditor report dated July 31, 2018. 6 ayes, 0 nays, motion accepted

Moved by Samborski, seconded by Harmony to go into Executive session at 7:48pm for the purpose of discussion of legal matters and contractual. 6 ayes, 0 nays, motion accepted

Moved by Kowalski, seconded by Samborski to come out of Executive session at 8:20pm. 6 ayes, 0 nays, motion accepted

XIII: Move by Kazmierczak, seconded by Harmony to **ADJOURN** the meeting at 8:30pm. 6 ayes, 0 nays, motion accepted

District Clerk