

RECORD OF PROCEEDINGS

Minutes of

WARRENSVILLE HEIGHTS CITY BOARD OF EDUCATION

Meeting 17-18

WORK SESSION MEETING

BEAR GRAPHICS 800.325.8094 FORM NO 10148

Held

JULY 9,

20 18

The Work Session Meeting of the Warrensville Heights Board of Education was held on Monday, July 9, 2018, at 7:00 p.m., at the Warrensville Heights High School, Room 154, 4270 Northfield Road, Warrensville Heights, Ohio.

President Freeman called the meeting to order and asked the Treasurer, Dr. Michael A. Rock, to call the roll. The roll call revealed the following members present: Mrs. Michele Elba, Mr. Ray A. Freeman, Mrs. Millicent Gaiter, Ms. Traci Mitchell, Mrs. Barbara A. Mumin

Mr. Donald J. Jolly, II, Superintendent, also in attendance.

All other individuals used a sign-in log.

Pledge

President Freeman requested all stand to recite the Pledge of Allegiance to the Flag.

Agenda

Moved by Ms. Mitchell and seconded by Mrs. Gaiter to accept the Agenda, dated July 9, 2018.

Vote:

Ayes – Mrs. Elba, Mrs. Mumin, Mrs. Gaiter, Ms. Mitchell

Nays – None

Motion carried

R-07-18-101

5-0

Treasurer's Report and Financial Recommendations

Treasurer Dr. Rock provided an update to the Board in regards to the Bond/Permanent Improvement Levy for Phase Two of the Master Facilities Plan with the assistance of Municipal Fund Advisor Michael Prcela and Bond Counsel Rick Manoloff. Dr. Rock described the process to new facilities noting the key moments for the Board to recognize the overall process and Board authorizations along the way.

2020 Strategic Plan

3.2 Resolution-Bond Issue & PI Levy: President Freeman thanked Michael Prcela Municipal Fund Advisor, Rick Manoloff Bond Counsel, Jeff Tuckerman from Hammond Construction and OFCC. Board President Freeman introduced Owner's Representative Steve Zannoni from PMC. Steve Zannoni presented the results from the three community meetings in regards to Phase Two of the Master Facilities Plan including the various locally funded initiatives (LFIs) for the District. The State will co-fund the base of the project at \$12.5M with the District funding 68% of the base project. LFIs are funded 100% by the District. The LFIs discussed include Additional Academic Areas, Tournament Gym and Support Spaces, Auditorium Renovation, Board Offices at MS/HS, Outdoor Athletic Facilities, Bus Garage, Additional Parking, Additional Classrooms at Randallwood Elementary New Prek-5 Building, and future classroom expansion. The overall project for District funding presented at the community meetings was between \$58M and \$68M including all LFIs for the school community. Mr. Zannoni stated that the community meetings were an opportunity for the public to review the LFIs, total project size, and rank the various projects. Mr. Zannoni concluded that the top seven rankings included merely the entire list of LFIs, with the bottom three totaling \$2.4M. As a result, the rankings and Mr. Zannoni recommend the total project size as \$68M along with Mr. Jolly and Dr. Rock.

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Rick Manoloff of Squire Patton Boggs provided an in depth description of the resolution process for the District to get the levy onto the ballot, with further explanations of Resolution #1 on the agenda. Mr. Manoloff explained that Resolution #1 establishes the project cost, proposed purpose of the financing, maximum number of years for finance, and the interest rate. Michael Prcela Municipal Fund Advisor from Sudsina and Associates provided an in depth description of the finance model for Phase Two of the Master Facilities Plan that included the explanation of the combined levies (a Bond Levy and a Permanent Improvement Levy). Rick Manoloff provided an overall summary that described the model for the Board.

Board members inquired on various components of the Phase Two financing, resolutions, and project size including the length of the Bond Levy and Permanent Improvement Levy. Mr. Jolly provided further descriptions in regards to the needs and direction of the educational program in regards to the facilities for the entire school community.

3.2 Moved by Ms. Mitchell and seconded by Mrs. Mumin to approve the following Resolution Declaring the Necessity of Submitting the Single Question of the Issuance of School Improvement Bonds in the Aggregate Principal Amount of \$48,500,000 for the Purpose of Constructing, Renovating, Remodeling, Rehabilitating, Adding to, Furnishing, Equipping and Otherwise Improving School District Buildings and Facilities, Including a 6-12 School, and Clearing, Preparing, Equipping and Otherwise Improving Real Estate, for School District Purposes, and the Levy of an Additional Tax of 4.5 Mills to Provide Funds for the Acquisition, Construction, Enlargement, Renovation, and Financing of General Permanent Improvements to the Electors of the School District, Pursuant to Section 5705.218 of the Revised Code.

Whereas, the Ohio Facilities Construction Commission (the Commission) has notified the School District that the School District will be recommended for approval to participate in the Classroom Facilities Assistance Program – Segment Two, under Chapter 3318 of the Revised Code, involving constructing, acquiring, reconstructing and/or making additions to classroom facilities as defined in that Chapter (specifically, and among other things, an “[a]ddition/selective demolition (1964 Original Building & 1967 Addition 1) to Warrensville Heights High School to house grades 6 thru 12”) (the Segment Two Project), upon confirmation that the Local Share (as set forth hereinbelow) of the Segment Two Project and the related maintenance requirement have been met, and, on May 30, 2018, this Board adopted a resolution accepting the scope of the Segment Two Project, among other things; and

Whereas, the basic project cost of the Segment Two Project has been determined to be \$38,920,680, of which the State’s portion is \$12,454,618 and the School District’s portion is \$26,466,062 (the Local Share); and

Whereas, this Board has determined to supplement the Segment Two Project by constructing, renovating, remodeling, rehabilitating, adding to, furnishing, equipping and otherwise improving buildings and facilities, and clearing, preparing, equipping and otherwise improving real estate, for School District purposes (the Locally Funded Initiatives, or LFIs), with the estimated amount of those LFIs that would be paid with the proceeds of voter-approved bonds being \$22,033,938; and

Whereas, previously, this Board and the Commission entered into a Project Agreement for Segment One under the Classroom Facilities Assistance Program to “[b]uild one new elementary school to house grades PK thru 5”, among other things (the “Segment One Project”), with the basic project cost of the Segment One Project being established as \$25,994,688, and the School District’s portion of the basic project cost of the Segment one Project being established as \$17,676,388 (prior to the application of a credit obtained through the School District’s participation in the Commission’s Expedited Local Partnership Program (“ELPP”)); and

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Whereas, the School District raised its portion of the basic project cost of the Segment One Project by (a) application of the aforesaid ELPP credit of \$4,712,505, and (b) application of \$12,963,883 of the proceeds of Certificates of Participation, Series 2017, Evidencing Proportionate Interests of the Owners Thereof in Base Rent to be Paid By the Board of Education of the Warrensville Heights City School District, Ohio, dated December 28, 2017; and

Whereas, the sum total of (a) the School District's portion of the basic project cost of the Segment One Project -- \$17,676,388, plus (b) the School District's portion of the basic project cost of the Segment Two Project -- \$26,466,062, equals (c) \$44,142,450, and one-half of that amount is (d) \$22,071,225, which is of relevance for purposes of Section 133.06(I) of the Revised Code; and

Whereas, no "securities" (as defined in Section 133.01(KK) of the Revised Code) have yet been issued for the purpose of paying costs of "locally funded initiatives" (as set forth in Section 133.06(I) of the Revised Code); and

Whereas, pursuant to Section 5705.218 of the Revised Code and as provided in this resolution, this Board has determined to submit to the electors of this School District, at the election to be held on November 6, 2018, the single question of (a) issuing bonds for the purpose stated in Section 1 of this resolution, and levying a tax to pay debt charges on such bonds and any securities issued in anticipation thereof, and (b) levying a 4.5-mill property tax for the acquisition, construction enlargement, renovation, and financing of general permanent improvements; and

Whereas, pursuant to Section 5705.03(B) of the Revised Code, as recently amended by the Ohio General Assembly, when this Board determines that it is necessary to levy a tax outside the ten-mill limitation for any purpose authorized by the Revised Code, this Board is required to certify to the County Fiscal Officer of Cuyahoga County a resolution containing certain information and requesting the County Fiscal Officer to make certain certifications to the Board; and

Whereas, Section 5705.218(A) of the Revised Code provides further requirements relating to the County Fiscal Officer's certifications and the Board's resolution requesting same;

Now, Therefore, Be It Resolved by the Board of Education of the Warrensville Heights City School District, County of Cuyahoga, State of Ohio, *two-thirds of all members concurring*, that:

Section 1. Declaration of the Necessity of Bonds. This Board hereby finds, determines and declares that it is necessary to issue general obligation bonds of the Warrensville Heights City School District in the aggregate principal amount of \$48,500,000 for the purpose of constructing, renovating, remodeling, rehabilitating, adding to, furnishing, equipping and otherwise improving School District buildings and facilities, including a 6-12 school, and clearing, preparing, equipping and otherwise improving real estate, for School District purposes (the Bonds), and to levy a tax outside of the ten-mill limitation imposed by Section 2 of Article XII of the Ohio Constitution to pay the debt charges on the Bonds and any anticipatory securities, such tax being an additional tax. The approximate date of the Bonds will be March 1, 2019. The maximum number of years over which the principal of the Bonds may be paid is 35, and the Bonds will bear an interest rate now estimated at 5.75% per year, payable semiannually. This Board anticipates that the tax to be levied for debt charges on the Bonds and/or any such anticipatory securities will be first placed on the tax list and

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duplicate in tax year 2018, for first collection in 2019. The term of years of said tax shall be the number of years during which debt charges shall be payable on the Bonds and any anticipatory securities, and said tax shall be levied on the entire territory of the School District.

Section 2. Declaration of Necessity of Tax Levy. This Board hereby finds, determines and declares that the amount of taxes which may be raised within the ten-mill limitation by levies on the tax list and duplicate will be insufficient to provide an adequate amount for the necessary requirements of this School District, and that it is necessary to levy a tax in excess of that limitation at the rate of 4.5 mills for a continuing period of time to provide funds for the acquisition, construction, enlargement, renovation, and financing of general permanent improvements, commencing in tax year 2018, for first collection in calendar year 2019, such tax being an additional tax. Said tax shall be levied on the entire territory of the School District.

Section 3. Submission of Single Question to Electors. Pursuant to Section 5705.218 of the Revised Code, the single question of (a) the issuance of the Bonds and the levy of the associated tax for debt charges and (b) the levy of an additional tax of 4.5 mills for the purpose and duration stated in Section 2 shall be submitted to the electors of this School District at an election to be held in the School District on November 6, 2018. Said question shall be submitted to the entire territory of the School District. The School District has territory only in Cuyahoga County.

Section 4. Certification and Delivery of Resolution to County Fiscal Officer. The Treasurer of this Board is directed to certify a copy of this Resolution to the Cuyahoga County Fiscal Officer, and, in accordance with Sections 5705.03(B) and 5705.218 of the Revised Code, this Board hereby requests the County Fiscal Officer to certify to it (i) the total current tax valuation of this School District, (ii) the estimated average annual property tax levy, expressed in dollars and cents for each one hundred dollars of tax valuation and in mills for each one dollar of tax valuation, that the County Fiscal Officer estimates to be required throughout the stated maturity of the bonds to pay debt charges on the bonds, assuming that they are all issued in one series bearing interest and maturing in substantially equal principal amounts in each year over the maximum number of years over which the principal of the bonds may be paid, both as stated in Section 1, and that the amount of the tax valuation of this School District for the current year (or, if that amount is not determined, the estimated amount of that tax valuation submitted by the County Fiscal Officer to the County Budget Commission) remains the same throughout the maturity of the bonds (except as otherwise provided in Revised Code § 133.18(C)(2)), and (iii) the dollar amount of revenue that would be generated annually by the additional tax levy referred to in Section 2.

Section 5. Compliance with Open Meeting Requirements. This Board finds and determines that all formal actions of this Board and any of its committees concerning and relating to the adoption of this Resolution were taken, and that all deliberations of this Board and of any of its committees that resulted in such formal actions were held, in meetings open to the public, in compliance with the law.

Section 6. Captions and Headings. The captions and headings in this Resolution are solely for convenience of reference and in no way define, limit or describe the scope or intent of any Sections, subsections, paragraphs, subparagraphs or clauses hereof.

Section 7. Effective Date. This Resolution shall be in full force and effect from and immediately upon its adoption.

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Held JULY 09, 20 18**Vote:**

Ayes – Mrs. Elba, Mrs. Gaiter, Mrs. Mumin, Ms. Mitchell, Mr. Freeman

Nays – None

Motion carried

R-07-18-102

5-0

Board Work Session

- 4.1 Board Goals Chat & Chew Discussion, Schedule: Mr. Jolly provided an update to the Board in regards to the common themes presented to him from the recent Chat and Chew meeting with the school community including recess, security, parental engagement, and mental health. Mr. Jolly presented District Actions that included a partnership with the YMCA, increases in staffing, engaging John Carroll and Tri-C for college students for service hours, and in-service training with monthly review of security procedures. Mr. Jolly stated that the District will reevaluate the entire parent engagement program and present to the Board in a future meeting. Superintendent Jolly presented a District action for the mental health theme to partner with CSU, State Board Member Meryl Johnson, and hire an additional social worker. Board members expanded on the comments and themes from the Chat and Chew in order to describe the concerns further. President Freeman suggested structuring another time for future Chat and Chew meetings. Mrs. Mumin suggested an evening time during the week, with Mrs. Gaiter suggesting an evening in September in a school building. Mrs. Elba stated concerns on communicating the notice of the next Chat and Chew meeting to allow for ample notice to the school community to attend in the future. Mrs. Gaiter closed the section with reference to a board calendar, where she is in contact with OSBA for an electronic version of the OSBA school board calendar to be used as a template for the District.
- 4.2 The Board concluded that specific goals need to be discussed that relate to the recent Chat and Chew meeting themes with deliverables for the 2018-2019 school year. Board Member Elba questioned who decides what is on the agenda and how topics are submitted.

Superintendent's Recommendations

5.1 Moved by Ms. Mitchell and seconded by Mrs. Gaiter to offer employment to Joseph Fouche, as Interim Business Service Consultant, effective July 10, 2018 through November 12, 2018, at the establish per diem rate of \$308.55. Payable from General Fund.

Vote:

Ayes – Mrs. Elba, Mrs. Mumin, Mrs. Gaiter, Ms. Mitchell, Mr. Freeman

Nays – None

Motion carried

R-07-18-103

5-0

New Business

The Board discussed travel concerns brought to their attention by Treasurer Dr. Rock in reference to the NSBA CUBE seminar on the west coast with time change challenges for arrivals back into town at the conclusion of the conference. Mrs. Elba stated that she will attend the NABSE conference (National Alliance of Black School Educators) to expand the exposure for the District. Mrs. Elba also mentioned an interesting OSBA seminar on Financial Health and the Leadership Team on August 23, 2018 and a HB70 rally that will occur in Youngstown on August 6, 2018. President Freeman stated that he will be attending the NSBA CUBE retreat next week.

