

**KEENE BOARD OF EDUCATION
FINANCE COMMITTEE
Meeting Minutes**

DATE: May 4, 2010

LOCATION: Cheshire Career Center Conference Room, Keene High School, 43 Arch Street

CALLED TO ORDER: 8:20p.m.

TIME ADJOURNED: 10:03p.m.

COMMITTEE MEMBERS PRESENT:

- Mr. Neil Donegan, Chair
- Mr. Mark Nugent
- Mr. Chris Coates
- Mr. Carl Panza

BOARD MEMBERS PRESENT:

- Mrs. Kristin Blais
- Mr. Carter Chamberlin

ADMINISTRATORS PRESENT:

- Mr. William Gurney, Co-Superintendent of Schools
- Mr. John Harper, Business Administrator
- Mr. Tom Remillard, Director of Buildings, Facilities and Ancillary Services
- Mr. Chris Carreira (until 8:40 p.m.)

OTHERS PRESENT:

- Members of the Public (approximately 3)

Mr. Neil Donegan, Chair, called the meeting to order at 8:20pm.

1. Public Input

None.

2. Approval of Minutes of March 2, 2010 and April 6, 2010

Mr. Coates made a motion to recommend that the Keene School Board of Education approve the minutes of March 2, 2010 and April 6, 2010. Mr. Nugent seconded. Vote taken, motion unanimously passes.

3. Computer School Networking Update – Chris Carreira

Mr. Carreira, SAU#29 Director of Technology, reviewed a slide presentation concerning recent initiatives intended to improve technology while at the same time saving money. He outlined changes in the areas of internet access, software licensing, telephone service and movement from providing traditional instruction computers in schools to thin client hardware that would provide the same service at a much-reduced cost. Discussion ensued with the Finance Committee concluding that savings from Mr. Carreira's initiatives should positively impact the budget development process for the 2011-12 fiscal year.

4. Financial Report

Mr. John Harper presented the Financial Report dated May 4, 2010 and spoke to the \$1,585,543 net available balance with no additional revenues projected but still reporting the sources of savings as we have had all year in energy, health insurance and special education. Mr. Harper

reported that there was no further reduction of the “budget amendment” funds requested and that those funds were now shown as unencumbered in terms of the available balance. Spending approved by the Board in April from surplus funds was indicated separately in a line entitled “Bd. Surplus Commitment and deducted from the available balance. Discussion ensued with interest expressed in terms of recommending some additional use of surplus funds at the June meeting based on the surplus balance projected at that time as well as the needs of the District as reported by Mr. Gurney and Mr. Remillard.

Mr. Coates made a motion to accept the Financial Report dated May 4, 2010 as presented and to have it placed on the consent agenda of the May 11 Board of Education meeting. Mr. Nugent seconded. Vote taken, motion unanimously passes.

5. 2010-11 Academy Fund Proposals

As it was agreed that none of the 2010-11 proposals had any negative financial aspects to them in terms of ongoing costs to the District, Mr. Nugent moved and Mr. Panza seconded, that all of the Academy Fund proposals be recommended to the Board of Education at its May 11 meeting and that this item be placed on the consent agenda. The vote on the motion was unanimous.

6. KMS Road/Sidewalk Improvements Memorandum with City of Keene

This item was passed over with the intention that it would be discussed in non-public session at the end of the meeting.

7. Approval of Loan Agreements with NH Municipal Bond Bank

Mr. Harper distributed a memorandum from Bond Counsels David Barnes and Renelle L’Huillier titled “Execution of Loan Agreement with New Hampshire Municipal Bond Bank (the “Bond Bank”). Attached to the memorandum was a copy of the loan agreement with the Bond Bank that would need to be signed by District officials as well as a certificate of vote form which will be reviewed under item #8.

8. Certificate of Vote Regarding Authorization of Bonds

Mr. Harper reviewed the “Certificate of Vote Regarding Authorization of Bonds and Approval of Loan Agreement with the New Hampshire Municipal Bond Bank” mentioned under #7 above. He read and reviewed the resolutions required as part of this process explaining that the Finance Committee would need to recommend the resolutions to the Board of Education at its May 11 meeting in order for the bond process to continue on-schedule. The resolution:

RESOLVED: That under and pursuant to the Municipal Finance Act, Chapter 33, N.H.R.S.A., as amended, the New Hampshire Municipal Bond Bank Law, Chapter 35-A, N.H.R.S.A., as amended, and other laws in addition thereto, and to votes of the Issuer duly adopted on March 10, 2009 under Articles 1 and 2 of the Warrant for the Annual meeting of Issuer there be and hereby is authorized the issuance of a \$38,600,000 Bond of the Issuer (the “Bond”) which is being issued by the Issuer for the following purposes: (i) financing the construction of certain school facilities and associated costs and (ii) current refunding of the Issuer’s \$1,500,000 bond anticipation note dated July 1, 2009 and maturing December 31, 2010 and the Issuer’s \$8,000,000 bond anticipation note dated December 30, 2009 and maturing July 30, 2010, both of which notes were issued to finance the construction of certain school facilities and associated costs.

The Bond shall be dated as of its date of issuance, shall be in such numbers and denominations as the purchaser shall request, shall mature in accordance with the schedule set forth in Exhibit A to a certain Loan Agreement hereinafter described (the "Loan Agreement"), shall bear a net interest cost rate (as defined in the Loan Agreement) of six percent (6%) per annum or such lesser amount as may be determined by a majority of the Board. The Bond shall be substantially in the form set forth as Exhibit B to the Loan Agreement and otherwise shall be issued in such manner and form as the signatories shall approve by their execution thereof.

RESOLVED: That the Bond shall be sold to the Bond Bank at the par value thereof plus any applicable premium.

RESOLVED: That in order to evidence the sale of the Bond, the Treasurer of Issuer and a member of the Board are authorized and directed to execute, attest and deliver, in the name and on behalf of the Issuer, a Loan Agreement in substantially the form submitted to this meeting, which is hereby approved, with such changes therein not inconsistent with this vote and approved by the officers executing the same on behalf of the Issuer. The approval of such changes by said officers shall be conclusively evidenced by the execution of the Loan Agreement by such officers.

RESOLVED: That all things heretofore done and all action heretofore taken by the Issuer and its officers and agents in its authorization of the project to be financed by the Bond are hereby ratified, approved and confirmed.

RESOLVED: That the Clerk and the signers of the Bond are each hereby authorized to take any and all action necessary and convenient to carry out the provisions of this vote, including delivering the Bond against payment therefor.

RESOLVED: That the useful life of the project being financed is in excess of thirty-five (35) years.

Mr. Coates moved and Mr. Nugent seconded, that the resolution be recommended for approval to the Board of Education at its May 11 meeting. The vote on the motion was unanimous.

9. Jonathan Daniels Proposal and Estimate from Frank Marinace

The Committee reviewed a \$4,800 proposal from Mr. Marinace regarding architectural services to be performed regarding possible additional classrooms at Daniels School. This item was forwarded from the earlier meeting of the Building Facilities Committee with a unanimous recommendation. Mr. Coates moved and Mr. Nugent seconded, that this proposal be recommended for approval to the Board of Education at its May 11 meeting. The vote on the motion was unanimous.

10. Acceptance of Gifts

Mr. Coates moved and Mr. Panza seconded, that a gift of \$500 from the Local Government Center on behalf of the Wellness Committee at Jonathan Daniels School be recommended to the Board of Education for acceptance at its May 11 meeting, and that this item be placed on the consent agenda. The vote on the motion was unanimous.

Mr. Coates moved and Mr. Nugent seconded, that gifts of \$5,000 and \$1,000 from Cheshire Health Foundation on behalf of Advocates for Health Youth be recommended to the Board of

Education for acceptance at its May 11 meeting, and that this item be placed on the consent agenda. The vote on the motion was unanimous.

Mr. Panza requested that future gifts to the District include a contact person and address to facilitate his forwarding "thank you" letters to the appropriate parties. Mr. Gurney will forward to Mr. Panza names and addresses for the two gifts accepted above.

11. Budget Transfers

Mr. Panza moved and Mr. Nugent seconded, that a \$5,767 transfer request from Keene High School be recommended to the Board of Education for acceptance at its May 11 meeting. The vote on the motion was unanimous.

12. Other

None.

Non-Public Session

Motion made by Mr. Nugent to move into non-public session under R.S.A. 91-A:3 (II)(d) to discuss Consideration of the acquisition, sale or lease of real or personal property which, if discussed in public, would likely benefit a party or parties whose interests are adverse to those of the general community. Seconded by Mr. Coates. The motion was approved by a unanimous roll call vote. The Committee moved into non-public session at 9:26 p.m. accompanied by Mr. Chamberlin, Mrs. Blais, Mr. Harper, Mr. Gurney and Mr. Remillard.

The Committee returned to open session at 9:45 p.m.

Motion made by Mr. Nugent to move into non-public session under R.S.A. 91-A:3 (II)(d) to discuss Staff Personnel. Seconded by Mr. Coates. The motion was approved by a unanimous roll call vote. The Committee moved into non-public session at 9:45 p.m. accompanied by Mr. Chamberlin, Mrs. Blais, Mr. Harper and Mr. Gurney.

The Committee returned to open session at 10:03 p.m.

The meeting adjourned at 10:03 p.m.

Respectfully submitted,

John Harper
Business Administrator