

Ovid-Elsie Area Schools
Board of Education
Minutes of Regular Meeting
Tuesday, July 29, 2014-6:00 PM
HIGH SCHOOL COMMUNITY ROOM

1. Call to order

The meeting was called to order by President Stacie Rulison at 6:30 p.m. with the pledge of allegiance to the flag of the United States of America.

Members Present: Stacie Rulison, David Huff, Amy Palus, Erin Bancroft

Members Absent: Becky Holmes-Bukantis, Michael Schiffer, Steven Sopocy

2. Consent Agenda

Motion by E. Bancroft, supported by D. Huff, to approve the consent agenda for the July 29, 2014 regular board meeting. A roll call vote was taken. Motion passed 4-0.

3. Communications From the Public

4. Communications From Ovid-Elsie Personnel

5. Correspondence

6. Old Business

7. New Business

Motion by D. Huff, supported by A. Palus to appoint Erin Bancroft as acting secretary for this meeting, due to the absence of Steven Sopocy. Motion passed 4-0.

A. Bond Resolution

Motion by A. Palus, supported by D. Huff to approve the bond resolution as presented by Christopher Iamarino, Thrun Law Firm. A roll call vote was taken. Motion passed 4-0.

COMPLETE RESOLUTION FOLLOWS MINUTES

B. Bids for Bond Projects

Motion by D. Huff, supported by E. Bancroft to award the bid packages as presented by Triangle representatives. A roll call vote was taken. Motion passed 4-0.

C. Bid for Top Dresser/Athletic Fields

Motion by D. Huff, supported by E. Bancroft to approve the bid proposal from Turftime Equipment, LLC for \$16,555.00 as presented by Craig Coleman.
Motion passed 4-0.

D. Employee Contracts

Motion by D. Huff, supported by E. Bancroft to approve a teacher contract for Stacy White (4th grade) for the 2014-2015 school year. Motion passed 4-0.

Motion by A. Palus, supported by D. Huff to approve a teacher contract for Sara Smith (Kdg.) for the 2014-2015 school year. Motion passed 4-0.

Motion by E. Bancroft, supported by D. Huff to approve a teacher contract for Toni Thompson (3rd grade) for the 2014-2015 school year.
Motion passed 4-0.

E. School Bond Qualification & Loan Program

Motion by D. Huff, supported by A. Palus to approve the Loan/Repayment activity application for the School Bond Qualification and Loan Program for the 2014-2015 school year. Motion passed 4-0.

APPLICATION FOLLOWS MINUTES

F. MJPA Bid Consortium

Motion by D. Huff, supported by E. Bancroft to approve Ovid-Elsie Area Schools joining the National Joint Powers Alliance (NJPA) consortium.
Motion passed 4-0.

8. Other Matters Which May Properly Come Before the Board

9. Hearing From Board Members

10. Adjournment

Motion by A. Palus, supported by D. Huff to adjourn the meeting at 6:52p.m.
Motion carried unanimously.

Respectfully Submitted,
Steven Sopocy, Secretary

Minutes submitted by: Pam Washburn, Recording Secretary

Pam Washburn Recording Secretary

Ovid-Elsie Area Schools, Clinton, Shiawassee, Saginaw and Gratiot Counties, Michigan (the "Issuer")

A regular meeting of the board of education of the Issuer (the "Board") was held in the High School Community Room, within the boundaries of the Issuer, on July 29, 2014, at 6:00 o'clock in the p.m.

The meeting was called to order by Stacie Rulison, President.

Present: Members **Stacie Rulison, David Huff, Amy Palus, Erin Bancroft**

Absent: Members

The following preamble and resolution were offered by Member Amy Palus and supported by Member David Huff:

WHEREAS:

1. By resolution adopted on May 19, 2014 (the "Bond Resolution"), the Issuer authorized the issuance of not to exceed Five Million Six Hundred Sixty Thousand Dollars (\$5,660,000) 2014 School Building and Site Bonds (the "Bonds"); and

2. In the Bond Resolution, the board of education (the "Board") authorized the sale of the Bonds and delegated authority to the Superintendent to accept the offer of Stifel, Nicolaus & Company, Incorporated (the "Underwriter") to purchase the Bonds subject to parameters established in the Bond Resolution; and

3. Based upon information provided by the Issuer's financial consulting firm, the Superintendent accepted an offer from Stifel, Nicolaus & Company, Incorporated (the "Underwriter") to purchase the Bonds, and the Board desires to ratify and affirm the acceptance of the offer.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The offer of the Underwriter as set forth in the bond purchase agreement dated July 16, 2014 (the "Bond Purchase Agreement"), and the terms and conditions set forth therein, presented to the Superintendent to purchase the Bonds at a purchase price of \$5,659,001.40, which is the par value of the Bonds plus an original issue premium of \$497,768.90, less the Underwriter's discount of \$33,767.50, is hereby ratified and affirmed. The Bonds shall be issued in the aggregate principal sum of \$5,195,000.00 and designated 2014 School Building and Site Bonds (General Obligation - Unlimited Tax).

2. The Bonds shall be dated August 6, 2014, and shall mature on May 1 of the years 2016 through 2026, inclusive, and 2029, on which interest is payable on each May 1 and November 1, commencing May 1, 2015, at the rates and in the principal amounts set forth in Exhibit A and shall be subject to optional and mandatory redemption as set forth herein. The Underwriters have agreed in the Bond Purchase Agreement that they shall initially offer the Bonds to the public at the yields set forth in Exhibit A hereto.

3. The Bonds or portions of Bonds in multiples of \$5,000, maturing on or after May 1, 2025, shall be subject to redemption prior to maturity, at the option of the Issuer in such order as the Issuer may determine and by lot within any maturity, on any date occurring on or after May 1, 2024, at par plus accrued interest to the redemption date.

4. The Bonds due May 1, 2029, are term bonds subject to mandatory redemption in part, by lot, on the redemption dates and in the principal amounts set forth below and at a redemption price equal to the principal amount thereof, without premium, together with interest thereon to the redemption date, as set forth below.

| <u>Redemption Date</u> | <u>Principal Amount</u> |
|------------------------|-------------------------|
| May 1, 2027 | \$520,000 |
| May 1, 2028 | 545,000 |
| May 1, 2029 (maturity) | 560,000 |

When term bonds are purchased by the Issuer and delivered to the Paying Agent for cancellation or are redeemed in a manner other than by mandatory redemption, the principal amount of the term bonds affected shall be reduced by the principal amount of the Bonds so redeemed or purchased in the order determined by the Issuer.

5. Notice of redemption of any Bond shall be given not less than thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption by mail to the registered owner's or owners' registered address shown on the registration books kept by the Paying Agent (the "Paying Agent"). The Bonds shall be called for redemption in multiples of \$5,000, and Bonds of denominations of more than \$5,000 shall be treated as representing the number of Bonds obtained by dividing the denomination of the Bond by \$5,000, and such Bonds may be redeemed in part. The notice of redemption for Bonds redeemed in part shall state that upon surrender of the Bond to be redeemed a new Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond surrendered shall be issued to the registered owner thereof.

If less than all of the Bonds of any maturity shall be called for redemption, unless otherwise provided, the particular Bonds or portions of Bonds to be redeemed shall be selected by the Paying Agent, in such manner as the Paying Agent in its discretion may deem proper, in the principal amounts designated by the Issuer. Any Bonds selected for redemption which are deemed to be paid in accordance with the provisions of the Bond Resolution and this resolution will cease to bear interest on the date fixed for redemption. Upon presentation and surrender of such Bonds at the corporate trust office of the Paying Agent, such Bonds shall be paid and redeemed.

6. Blank Bonds with the manual or facsimile signatures of the President and Secretary of the Board affixed thereto, shall, upon issuance and delivery and from time to time thereafter as necessary, be delivered to the Paying Agent for safekeeping to be used for registration and transfer of ownership.

7. The Bonds shall be registered as to principal and interest and are transferable as provided in the Bond Resolution only upon the books of the Issuer kept for that purpose by the Paying Agent, by the registered owner thereof in person or by an agent of the owner duly authorized in writing, upon the surrender of the Bond together with a written instrument of transfer satisfactory to the Paying Agent duly executed by the registered owner or agent thereof and thereupon a new Bond or Bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the Bond Resolution, and upon payment of the charges, if any, therein provided. The Bonds are issuable in denominations of \$5,000 or any integral multiple thereof not exceeding the aggregate principal amount for each maturity.

If any Bond shall become mutilated, the Issuer, at the expense of the holder of the Bonds, shall furnish or cause to be furnished, and the Paying Agent shall authenticate and deliver, a new Bond of like tenor in exchange and substitution of the mutilated Bond, upon surrender to the Paying Agent of the mutilated Bond. If any Bond issued under this resolution shall be lost, destroyed or stolen, evidence of the loss, destruction or theft and indemnity may be submitted to the Paying Agent, and if satisfactory to the Paying Agent and the Issuer, the Issuer at the expense of the owner, shall furnish or cause to be furnished, and the Paying Agent shall authenticate and deliver a new Bond of like tenor and bearing the statement required by Act 354, Public Acts of Michigan, 1972, as amended, being sections 129.131 to 129.134, inclusive, of the Michigan Compiled Laws, or any applicable law hereafter enacted, in lieu of and in substitution of the Bond so lost, destroyed or stolen. If any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond, the Paying Agent may pay the same without surrender thereof.

8. Upon delivery of the Bonds, the accrued interest, if any, shall be deposited in the Debt Retirement Fund for the Bonds and the balance of the Bond proceeds shall be used as follows:

A. The approximate sum of \$53,428.01 shall be used to pay the cost of issuance of the Bonds, and any balance remaining from that sum after paying the cost of issuance shall be deposited in the 2014 Capital Projects Fund.

B. The sum of \$5,605,573.39 shall be deposited to the 2014 Capital Projects Fund.

9. The Preliminary Official Statement, dated July 8, 2014, is deemed final for purposes of SEC Rule 15c2-12(b)(1), relating to the Bonds and its use and distribution by the Underwriter is hereby authorized, approved and confirmed.

10. The Superintendent is authorized and directed to execute and deliver the final Official Statement on behalf of the Issuer. The Superintendent is further authorized to approve, execute and deliver any amendments and supplements to the final Official Statement necessary to assure that the statements therein are true, as of the time the Bonds are delivered to the Underwriter, and that it does not contain any untrue statement of a material fact and does not omit to state a material fact necessary in order to make the statements, in light of the circumstances under which they were made, not misleading. The Superintendent is further authorized to execute a Certificate of Issuer to enable the Underwriter to comply with Rule 15c2-12 under the Securities and Exchange Act of 1934 in connection with the offering and sale of the Bonds. In the absence of the Superintendent, the President may execute the above documents.

11. The Issuer hereby ratifies and affirms the appointment of The Huntington National Bank, Grand Rapids, Michigan, as Paying Agent-Bond Registrar and directs the Superintendent of Schools to execute for and on behalf of the Issuer a Paying Agent-Bond Registrar Agreement.

12. A certified copy of this resolution and the maturity schedule as approved and set forth herein as Exhibit A shall immediately be filed with the Treasurer of the State of Michigan with the Application for Final Qualification of Bonds.

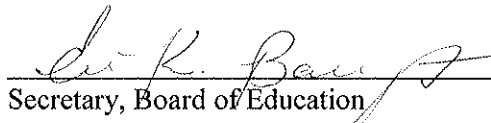
13. The Issuer hereby designates the Bonds of this issue as "qualified tax-exempt obligations" for purposes of deduction of interest expense by financial institutions under the provisions of the Internal Revenue Code of 1986, as amended. In making said designation, the Issuer determines that the reasonably anticipated amount of tax-exempt obligations which will be issued by the Issuer or entities which issue obligations on behalf of the Issuer during calendar year 2014 will not exceed \$10,000,000.

14. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same are hereby rescinded.

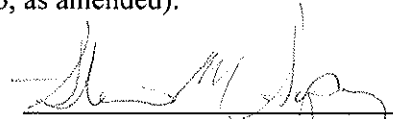
Ayes: Members **Stacie Rulison, David Huff, Amy Palus, Erin Bancroft**

Nays: Members

Resolution declared adopted.

Acting 
Secretary, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of Ovid-Elsie Area Schools, Clinton, Shiawassee, Saginaw and Gratiot Counties, Michigan, hereby certifies that the foregoing constitutes a true and complete copy of a resolution adopted by the Board at a regular meeting held on July 29, 2014, the original of which is part of the Board's minutes. The undersigned further certifies that notice of the meeting was given to the public pursuant to the provisions of the "Open Meetings Act" (Act 267, Public Acts of Michigan, 1976, as amended).


Secretary, Board of Education

CJI/pak

BOND PRICING

Ovid-Elsie Area Schools
2014 School Building and Site Bonds

EXHIBIT A

| Bond Component | Maturity Date | Amount | Rate | Yield | Price | Yield to Maturity | Call Date | Call Price | Call Date for Arb Yield | Call Price for Arb Yield | Premium (-Discount) |
|----------------|---------------|-----------|--------|--------|-----------|-------------------|------------|------------|-------------------------|--------------------------|---------------------|
| Serial Bond: | | | | | | | | | | | |
| | 05/01/2016 | 175,000 | 4.000% | 0.560% | 105.934 | | | | | | 10,384.50 |
| | 05/01/2017 | 175,000 | 4.000% | 0.860% | 108.472 | | | | | | 14,826.00 |
| | 05/01/2018 | 185,000 | 4.000% | 1.190% | 110.237 | | | | | | 18,938.45 |
| | 05/01/2019 | 195,000 | 4.000% | 1.580% | 110.999 | | | | | | 21,448.05 |
| | 05/01/2020 | 205,000 | 4.000% | 1.850% | 111.647 | | | | | | 23,876.35 |
| | 05/01/2021 | 320,000 | 4.000% | 2.110% | 111.807 | | | | | | 37,782.40 |
| | 05/01/2022 | 425,000 | 4.000% | 2.340% | 111.681 | | | | | | 49,644.25 |
| | 05/01/2023 | 445,000 | 4.000% | 2.540% | 111.371 | | | | | | 50,600.95 |
| | 05/01/2024 | 465,000 | 4.000% | 2.670% | 111.333 | | | | | | 52,698.45 |
| | 05/01/2025 | 480,000 | 4.000% | 2.780% | 110.340 C | 2.873% | 05/01/2024 | 100.000 | 05/01/2024 | 100.000 | 49,632.00 |
| | 05/01/2026 | 500,000 | 4.000% | 2.910% | 109.180 C | 3.063% | 05/01/2024 | 100.000 | 05/01/2024 | 100.000 | 45,900.00 |
| | | 3,570,000 | | | | | | | | | 375,731.40 |
| Term Bond: | | | | | | | | | | | |
| | 05/01/2029 | 1,625,000 | 4.000% | 3.100% | 107.510 C | 3.350% | 05/01/2024 | 100.000 | 05/01/2024 | 100.000 | 122,057.50 |
| | | 5,195,000 | | | | | | | | | 497,768.90 |

| | |
|------------------------|--------------|
| Dated Date | 08/06/2014 |
| Delivery Date | 08/06/2014 |
| First Coupon | 05/01/2015 |
| Par Amount | 5,195,000.00 |
| Premium | 497,768.90 |
| Production | 5,692,768.90 |
| Underwriter's Discount | (33,767.50) |
| Purchase Price | 5,659,001.40 |
| Accrued Interest | 108,931.692% |
| Net Proceeds | 5,659,001.40 |

Note: FINAL NUMBERS

School Bond Qualification and Loan Program
School Loan Revolving Fund
Bureau of Bond Finance
Michigan Department of Treasury
430 W. Allegan
Lansing, MI 48922

ANNUAL LOAN/REPAYMENT ACTIVITY APPLICATION

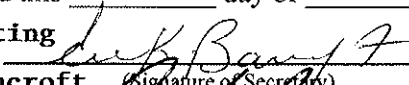
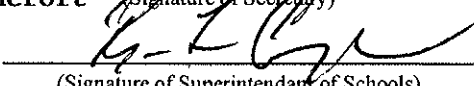
For Participation in the School Bond Qualification and Loan Program

| | | |
|---|------------------------------------|---------------------------------|
| Legal Name of School District Ovid-Elsie Area Schools | District Code No. 19-120 | County Clinton County |
|---|------------------------------------|---------------------------------|

CERTIFICATE

I, the undersigned, Secretary of the Board of Education, do certify hereby that the following constitutes a true and complete copy of a resolution adopted by the Board of Education of this School District, at a [regular or special] meeting held on the 29th day of July, 2014, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with Act 267 of the Public Acts of 1976 (Open Meetings Act).

IN WITNESS WHEREOF, I have hereunto set my hand this 29th day of July, 2014.

| | |
|--|--|
| <u>Steven Sopocy</u> (Type or Print Name of Secretary) | acting <u></u> (Signature of Secretary) |
| <u>Amy Palus</u> (Type or Print Name of Treasurer, Board of Education) | <u></u> (Signature of Superintendent of Schools) |

RESOLUTION

A meeting was called to order by **Stacie Rulison**, President.

Present: Members **Stacie Rulison, David Huff, Amy Palus, Erin Bancroft**

Absent: Members **Becky Holmes-Bukantis, Michael Schiffer, Steven Sopocy**

The following preamble and resolution were offered by Member **David Huff**

and supported by Member **Amy Palus**

WHEREAS:

1. Act 92 of the Public Acts of Michigan, 2005, enacted pursuant to Article IX, Section 16, of the Michigan Constitution of 1963, provides the procedure, terms and conditions for obtaining a loan from the Michigan School Loan Revolving Fund.
2. Pursuant to Executive Order No. 1993-19, the state activities related to bond qualification and state borrowing functions for the provision of loans by the State of Michigan to school districts were transferred from the Department of Education to the Department of Treasury. The State Treasurer is responsible for prescribing the forms and procedures regarding the application for loan from the School Loan Revolving Fund.

3. This district has taken all necessary actions to comply with all legal and procedural requirements for borrowing from the School Loan Revolving Fund.

NOW, THEREFORE, LET IT BE RESOLVED THAT:

1. The district approves the estimated amount to be borrowed from or repaid to the School Bond Qualification and Loan Program and certifies the amount of qualified debt millage to be levied in accordance with the following:

| | | |
|--|------|-----------------|
| Qualified bond debt millage (Tax Year 2014) | 7.80 | |
| Combined beginning balance owed to the SBLF and/or SLRF 06/30/2014 | | \$ 1,026,372.16 |
| Estimated amount to borrow from or repay to the SBLF and/or SLRF | | |
| Estimated accrued interest | | |
| Estimated combined ending balance owed the SBLF and/or SLRF 06/30/2015 | | |

2. The district agrees to levy the debt millage tax as indicated above in the current tax year and to levy the debt millage tax required by law on the taxable valuation of the district for each subsequent year until all loans are repaid in full to the State of Michigan.

3. The district agrees to take actions and to refrain from taking any actions as necessary to maintain the tax exempt status of tax exempt bonds or notes issued by the State or the Michigan Finance Authority for the purpose of financing loans to school districts.

4. The district agrees to file a draw request with the State Treasurer not less than 30 days prior to the time when disbursement proceeds will be necessary in order to pay maturing principal or interest or both and to provide any other pertinent facts which may be required to be included in the request.

5. The (title of authorized officer) Business Manager is authorized and directed to file with the Department of Treasury the Annual Loan/Repayment Activity Application and any draw request documents necessary for borrowing from the SLRF.

6. In the event that the district fails to perform any actions as identified in this application or required by law, the district will submit to the State Treasurer a board approved resolution which indicates the actions taken and procedures implemented to assure future compliance.

7. The district board members have read this application, approved all statements and representations contained herein as true to the best knowledge and belief of said board, and authorized the Secretary of the Board of Education to sign this application and submit same to the State Treasurer for his review and approval.

Ayes: Members Stacie Rulison, David Huff, Amy Palus, Erin Bancroft

Nayes: Members _____