

Minutes of the NORTH ROYALTON BOARD OF EDUCATION Special Meeting
Held June 21, 2016
North Royalton High School Community Room

SUMMARY

- I. CALL TO ORDER
- II. PLEDGE OF ALLEGIANCE
- III. ROLL CALL
- IV. RESOLUTION 2016-217: FINALIZATION OF AGENDA
- V. PUBLIC PARTICIPATION
- VI. RESOLUTION 2016-218: A RESOLUTION DETERMINING TO PROCEED WITH SUBMITTING TO THE ELECTORS OF THE SCHOOL DISTRICT THE SINGLE QUESTION OF THE ISSUANCE OF SCHOOL IMPROVEMENT BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF \$88,900,000 FOR THE PURPOSE OF CONSTRUCTING, RENOVATING, REMODELING, REHABILITATING, ADDING TO, FURNISHING, EQUIPPING AND OTHERWISE IMPROVING BUILDINGS AND FACILITIES, AND ACQUIRING, PREPARING, EQUIPPING AND OTHERWISE IMPROVING REAL ESTATE, FOR SCHOOL DISTRICT PURPOSES, AND THE LEVY OF AN ADDITIONAL TAX OF 0.5 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.
- VII. RESOLUTION 2016-219: APPROVE AGREEMENT - THE HODGE GROUP
- VIII. ANNOUNCEMENTS
- IX. RESOLUTION 2016-220: MOTION TO ADJOURN

- I. **CALL TO ORDER.** President Jacquelyn Arendt called the special meeting of the North Royalton Board of Education to order at 6:30 PM, June 21, 2016, at the North Royalton High School Community Room.
- II. **PLEDGE OF ALLEGIANCE.** President Jacquelyn Arendt requested all present to join in the Pledge of Allegiance to the flag.
- III. **ROLL CALL.** Present: President Jacquelyn Arendt, Vice President Dr. Susan Clark, Heidi Dolezal, Dr. John Kelly and Anne Reinkober. Also present were Superintendent Gregory Gurka, and Treasurer Biagio Sidoti.
- IV. **RESOLUTION 2016-217: FINALIZATION OF AGENDA.** Resolve the Board of Education to approve the agenda as presented.

Moved by Kelly

Seconded by Clark

Voting Aye: Kelly, Clark, Dolezal, Reinkober, Arendt

Motion Carried

- V. **PUBLIC PARTICIPATION.** The public is invited to speak to any of the agenda items. Comments should be limited to five minutes.

Becky Cozzens of 9361 Chesapeake Drive, addressed the board. Becky has four children and is proud of the education that they have received in North Royalton. She is very happy that we can attract the great teachers and administrators that we have, but she also knows that the facilities will impact the learning and in time impact our ability to attract those great teachers. She believes that great schools and a great community go hand in hand. She thanked the Community Engagement Task Force for all of their work. It is now time for the community to support this issue. Becky pledged to work tirelessly to get people involved and supportive. She believes that it is important for the future of our students and the future of North Royalton.

- VI. **RESOLUTION 2016-218: A RESOLUTION DETERMINING TO PROCEED WITH SUBMITTING TO THE ELECTORS OF THE SCHOOL DISTRICT THE SINGLE QUESTION OF THE ISSUANCE OF SCHOOL IMPROVEMENT BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF \$88,900,000 FOR THE PURPOSE OF CONSTRUCTING, RENOVATING, REMODELING, REHABILITATING, ADDING TO, FURNISHING, EQUIPPING AND OTHERWISE IMPROVING BUILDINGS AND FACILITIES, AND ACQUIRING, PREPARING, EQUIPPING AND OTHERWISE IMPROVING REAL ESTATE, FOR SCHOOL DISTRICT PURPOSES, AND THE LEVY OF AN ADDITIONAL TAX OF 0.5 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, on June 15, 2016, this Board adopted a resolution declaring the necessity of submitting to the electors of the School District the single question of (i) the issuance of bonds in the aggregate principal amount of \$88,900,000, and the levying of a tax to pay debt charges on those bonds and any anticipatory securities, and (ii) the levy of an additional 0.5-mill property tax to provide funds for the acquisition, construction, enlargement, renovation, and financing of general permanent improvements, for a continuing period of time, at an election to be held in the School District on November 8, 2016, a copy of which resolution was certified to the Cuyahoga County Fiscal Officer; and

WHEREAS, on June 16, 2016, the Cuyahoga County Fiscal Officer certified that (i) the estimated average annual property tax levy throughout the stated maturity of those bonds that would be required to pay debt charges on them, calculated in the manner provided in Section 133.18(C) of the Revised Code, is 4.4 mills for each one dollar of tax valuation, which amounts to 44 cents for each one hundred dollars of tax valuation, (ii) the total tax valuation of the School District is \$1,058,869,750 for purposes of the calculation in (i) above, (iii) the dollar amount of revenue that would be generated annually by the 0.5 mill property tax levied to provide funds for the

acquisition, construction, enlargement, renovation, and financing of general permanent improvements is \$529,435, and (iv) the total tax valuation of the School District is \$1,058,869,750 for purposes of the calculation in (iii) above;

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of the North Royalton City School District, County of Cuyahoga, State of Ohio, two-thirds of all members elected thereto concurring, that:

Section 1. Declaration of Necessity of Bonds and Tax Levy. After reviewing the certifications of the Cuyahoga County Fiscal Officer described in the preambles hereto, this Board hereby finds, determines and declares that (i) the amount of taxes that can be raised within the ten-mill limitation will be insufficient to provide an adequate amount for the present and future requirements of this School District, (ii) it is necessary to issue general obligation bonds of the School District in the aggregate principal amount of \$88,900,000 for the purpose of constructing, renovating, remodeling, rehabilitating, adding to, furnishing, equipping and otherwise improving buildings and facilities, and acquiring, preparing, equipping and otherwise improving real estate, for School District purposes, and to levy a tax in excess of the ten-mill limitation to pay the debt charges on those bonds and any anticipatory securities, and (iii) it is necessary to levy, for a continuing period of time, an additional 0.5-mill tax in excess of the ten-mill limitation to provide funds for the acquisition, construction, enlargement, renovation, and financing of general permanent improvements. The average annual property tax rate required throughout the stated maturity of the bonds (30 years) to pay the debt charges on the bonds has been estimated by the Cuyahoga County Fiscal Officer to be 4.4 mills for each one dollar of valuation, which amounts to 44 cents for each one hundred dollars of valuation.

Section 2. Submission of Single Question to the Electors. This Board further determines and declares that the question of (i) issuing the bonds, and levying a tax to pay the debt charges on the bonds and on any notes issued in anticipation of the bonds, currently expected to begin with the tax list and duplicate for the year 2016, the proceeds of which first would be available to the School District in collection year 2017, and (ii) levying an additional 0.5-mill tax to provide funds for the acquisition, construction, enlargement, renovation, and financing of general permanent improvements, for a continuing period of time, beginning with the tax list and duplicate for the year 2016, the proceeds of which levy first would be available to the School District in collection year 2017, shall be submitted as a single question under the provisions of Section 5705.218 of the Revised Code to the electors of the School District at an election to be held therein on November 8, 2016, as authorized by law.

Section 3. Certification and Delivery of Materials to Board of Elections. The Treasurer of this Board is authorized and directed to certify immediately to the Cuyahoga County Board of Elections, and in any event not later than the close of business on Wednesday, August 10, 2016: (i) a copy of the resolution adopted by the Board on June 15, 2016, declaring the necessity of (A) the bond issue and providing for the principal of the bonds to be paid over a maximum of 30 years, which number of years is hereby certified to the Board of Elections, and (B) the tax levy to provide funds for the acquisition, construction, enlargement, renovation, and financing of general permanent improvements, to be levied for a continuing period of time; (ii) the certifications by the Cuyahoga County Fiscal Officer as to the total current tax valuation of the School District, the estimated average annual property tax levy necessary to pay the debt charges on the bonds, and the dollar amount of revenue that would be generated annually by the 0.5-mill property tax levy; and (iii) a copy of this resolution. This Board requests that the Board of Elections give notice of that election and prepare the necessary ballots and supplies for the election in accordance with law.

Section 4. Compliance with Open Meeting Requirements. This Board finds and determines that all formal actions of this Board and of 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 those formal actions were held, in meetings open to the public in compliance with the law.

Section 5. 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 6. Effective Date. This Resolution shall be in full force and effect from and immediately upon its adoption.

Moved by Kelly

Seconded by Reinkober

Discussion: Dr. Kelly asked Mr. Sidoti to clarify that the original amount of \$4.40 is lower than the projected \$4.48. Mr. Sidoti did clarify that the additional taxes are slightly lower than anticipated and will be \$18.08 a month per \$200,000 home value. The original estimate was \$18.26 a month per \$200,000 home value.

Dr. Clark believes that the plan that was generated by the Community Engagement Task Force is a sound, educationally focused proposal. There have been many opportunities for the community to learn about the proposal, ask questions and speak to board members through community coffees, public meetings, and by completing a survey. She read all of the comments from the community survey and considered opinions both in favor of and in opposition to the plan. She believes that this is a single solution that will take care of the facility needs for generations while including a long term plan for maintenance of those facilities. It will protect our property values and keep our school tax base one of the lowest in the county.

Dr. Kelly thinks that the major difference between this and past bond issues is that this plan is not a repair list, but a comprehensive plan for the education and facilities in our district. He wanted to hear from the community if this was a good plan and he believes we did. While he stated that he understands the cost may seem high to some, he believes that Mr. Sidoti has presented us with the most cost effective way to do this plan in order to accomplish the goal. He believes that it is a fair cost with high value.

Mrs. Reinkober agreed with both Dr. Kelly and Dr. Clark. She believes the plan not only addresses the structural and maintenance issues, but also provides the educational environment that our community expects for the students in our district. The feedback from the surveys, community meetings, PTA meetings, coffees and one on one conversations has been invaluable and is a major factor on why she will support this issue.

Mrs. Dolezal pointed out that financially, with the low interest rates, this is the right time to do this. It is encompassing not only the whole district, but also the municipal bonds are a sought after item right now. The little amount left on the middle school bonds will be rolled into this plan. She believes this is the best opportunity we have had in a long time to put a bond issue on the ballot.

Mrs. Arendt believes that they have engaged in a very thorough process. The plan addresses the educational and facility needs of our students. It provides opportunities in classes for student centered learning. The plan comes after a year of research on our facilities through facility tours, surveys, coffees, and public engagement in many other forms that the residents of the school district engaged in. She is ready to move forward with this plan and hopes that it will be supported by the community. She said that we received almost 600 surveys and of those, 82% were either mailed or hand delivered. Only a few took advantage of the electronic version of the survey. She thinks that the 57% positive feedback from the surveys shows that we are headed in the right direction.

Voting Aye: Kelly, Reinkober, Clark, Dolezal, Arendt
Motion Carried

VII. APPROVE AGREEMENT - THE HODGE GROUP. Resolve the Board of Education approve an agreement with The Hodge Group for the purpose of providing North Royalton City Schools with a feasibility study for potential donors to offset costs associated with the Community Engagement Task Force recommendation.

Moved by Dolezal

Seconded by Clark

Dr. Kelly explained that the community has asked why we don't seek private support. We did a statewide search of groups that do seek private funding for projects like this and found three or four companies. The Hodge Group seemed to provide the best alternative because they are fundraising experts and have worked in this type of field. He believes this is a positive effort to seek private funding support. This plan with innovative education and innovative educational design, does have potential to get some support. He is glad that we are actively pursuing this to do whatever we can to take some of the burden off local taxpayers.

Dr. Clark thanked Dr. Kelly for his leadership and for his initiative in listening to the community to try and find a creative way to generate additional funds.

Voting Aye: Dolezal, Clark, Kelly, Reinkober, Arendt
Motion Carried

VIII. ANNOUNCEMENTS

Special Meeting (Appropriations)	June 27, 2016	7:15 PM	BOE Conference Room
Recreation Board Meeting	June 28, 2016	6:00 PM	NR City Hall
Regular Meeting/Work Session	July 7, 2016	6:30 PM	NRHS Community Room
Regular Meeting	July 11, 2016	7:00 PM	NRHS Community Room
Financial Advisory & Audit Mtg.	July 14, 2016	7:00 PM	BOE Conference Room

IX. RESOLUTION 2016-220: MOTION TO ADJOURN

Motion to adjourn meeting at 6:46 PM.

Moved by Kelly

Seconded by Dolezal

Voting Aye: Kelly, Dolezal, Clark, Reinkober, Arendt
Motion Carried

ATTEST:

Beaver Siskel
TREASURER

[Signature]
BOARD PRESIDENT

July 11, 2016
DATE

7.11.16
DATE