

Central Montcalm Public School  
Board of Education  
October 17, 2016

The regular meeting of the Central Montcalm Public School Board of Education was called to order by President Simpson in the High School Media Center on October 17, 2016 at 7:00 p.m.

Present: Bill Simpson, Jim Rogers, Brennen Bowen, Todd Giles, Bill Collins and Brandy Ryan.  
Absent: Mark Grossbauer

The regular meeting minutes of September 19, 2016, were approved as submitted.  
The Finance Report for the month ended September 30, 2016, was approved.

Motion by Collins, supported by Bowen, to ratify the payment of bills from September 15 to October 12, 2016, in the amount of \$510,753.02. Those in favor 6, opposed 0. Motion carried.

Superintendent Meinhardt shared the highlights of the District calendar with the Board. Ms. Amanda Garber of Abraham & Gaffney presented the FY 2015-2016 financial audit.

Motion by Giles, supported by Ryan, that the Board of Education of the Central Montcalm Public School District accept the Annual Audit Report for FY 2015-2016. Those in favor 6, opposed 0.

Motion by Collins, supported by Giles, that the Consent Agenda be approved, as follows:

1. To employ Austin Caster as a MS Wrestling Coach, effective the 2016-2017 season.
2. To employ Phillip Kahler as a MS Track Coach, effective the 2016-2017 season.
3. To employ Trina Geiger as a Cook's Helper, effective September 19, 2016.
4. To consider the request of JoLynn Spencer for a medical leave, beginning on or about October 27, 2016 in accordance with Article 10 of the Master Agreement.
5. To consider the request of Robin Bennett for a medical leave, beginning on or about October 14, 2016 in accordance with Article 10 of the Master Agreement.
6. To accept the resignation of Heather Palmer from her health paraprofessional position, effective September 30, 2016.

Those in favor 6, opposed 0. Motion carried.

Motion by Collins, supported by Ryan, that the Board of Education adopt the proposed Ratification Resolution in connection with the 2016 School Building and Site Bonds, Series I, establishing the 2016 Capital Projects Fund, said resolution is attached hereto and incorporated herein by reference. Those in favor 6, opposed 0. Motion carried.

Representatives of Tower Pinkster and Granger Construction were present to share a proposed schematic design and pricing package for the 2016 School Building and Site Bonds, Series I, to improve security at our school buildings.

Motion by Collins, supported by Giles, that the Board of Education approve the schematic design and pricing package proposed by Tower Pinkster and Granger Construction, in accordance with specifications of the administration and the building and site committee. Roll call vote. Yeas: Bowen, Collins, Giles, Ryan, Simpson and Rogers. Nays: None. Motion carried.

Motion by Giles, supported by Giles, that Charity Groom be employed as the Central Montcalm Middle School Principal, effective October 31, 2016; and

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Be it further resolved that, the contract and compensation be as outlined in Board of Education policies #3124 and #3144. Those in favor 6, opposed 0. Motion carried.

Motion by Giles, supported by Ryan, that Commencement for the Class of 2017 be established for Sunday, May 21, 2017 at 2:00 p.m., in the CMHS Gymnasium. Those in favor 6, opposed 0. Motion carried.

Director Milewski presented a report on the Michigan Student Test of Educational Progress (M-STEP) test results.

Meeting adjourned at 8:32 p.m.

Respectfully submitted,

Bill Collins  
Secretary

Central Montcalm Public School, Montcalm and Ionia Counties, Michigan (the "Issuer")

A regular meeting of the board of education of the Issuer (the "Board") was held in the CMHS Media Center, Stanton, Montcalm County, within the boundaries of the Issuer, on the 17<sup>th</sup> day of October, 2016, at 7 o'clock in the p.m.

The meeting was called to order by William Simpson, President.

Present: Members Rogers, Simpson, Bowen, Giles, Ryan, Collins

Absent: Members Grossbauer

The following preamble and resolution were offered by Member Collins and supported by Member Ryan:

**WHEREAS:**

1. By resolution adopted on September 19, 2016 (the "Bond Resolution"), the Issuer authorized the issuance of not to exceed Five Million Four Hundred Five Thousand Dollars (\$5,405,000) 2016 School Building and Site Bonds, Series I (the "Bonds"); and

2. In the Bond Resolution, the board of education (the "Board") authorized the Superintendent of the Issuer to engage a private placement agent to sell the Bonds to a purchaser pursuant to a private placement agreement within the parameters set forth in the Bond Resolution; and

3. Based upon information provided by the Issuer's financial consulting firm, the Issuer selected a negotiated sale by asking Fifth Third Securities, Inc. (the "Placement Agent") to solicit bids from banks and financial institutions because the process of obtaining bids by publishing a notice of sale as specified in Section 309(2) of Act 34, Public Acts of Michigan, 2001, as amended, is prohibitively more expensive than obtaining bids through the distribution of a solicitation for bids by the Placement Agent.

4. The Placement Agent presented an offer to purchase the Bonds by CFC Capital, Midland, Michigan (the "Purchaser") to the Superintendent on September 27, 2016, which is attached hereto as Exhibit A; and

5. Based upon information provided by the Issuer's financial consulting firm, the Superintendent accepted the offer to purchase the Bonds from the Purchaser, and the Board desires to ratify and affirm the acceptance of the offer.

**NOW, THEREFORE, BE IT RESOLVED THAT:**

1. The form of Private Placement Bid Form that was circulated by the Placement Agent on September 9, 2016, is hereby ratified and affirmed.

2. The Superintendent's acceptance of the offer to purchase the Bonds submitted by the Purchaser is hereby ratified and affirmed and the Superintendent's execution and delivery of the placement agreement between the Issuer and the Placement Agent (the "Placement Agreement") is hereby ratified and affirmed. The Bonds shall be issued in the aggregate principal sum of \$5,405,000 and designated 2016 School Building and Site Bonds, Series I (General Obligation – Unlimited Tax).

3. The Bonds shall be dated October 18, 2016, or the date of delivery to the Purchaser, and shall mature on May 1 of the years 2017 through 2025, inclusive, on which interest shall be payable on each May 1 and November 1, commencing May 1, 2017, at the rate and in the principal amounts set forth in Exhibit B, and shall not be subject to optional redemption prior to maturity.

4. The Bonds shall be registered as to principal and interest in the name of the Purchaser 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.

5. 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 \$47,096.00 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 2016 Capital Projects Fund.

B. The sum of \$5,357,904.00 shall be deposited in the 2016 Capital Projects Fund.

6. The President and Secretary be, and they are hereby authorized to provide the Bonds in conformity with the specifications of this resolution by causing their manual or facsimile signatures to be affixed thereto, and upon the manual execution by the authorized signatory of the Paying Agent, the Treasurer be and is hereby authorized and directed to cause said Bonds to be delivered to the Purchaser upon receipt of the purchase price and accrued interest, if any.

7. The President or Vice President, the Secretary, the Treasurer, the Superintendent, and all other officers, agents and representatives of the Issuer and each of them shall execute, issue and deliver any certificates, statements, warranties, representations, or documents necessary to effect the purposes of this resolution, the Bonds or the Placement Agreement.

8. The officers, agents and employees of the Issuer are authorized to take all other actions necessary and convenient to facilitate sale and delivery of the Bonds.

9. 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.

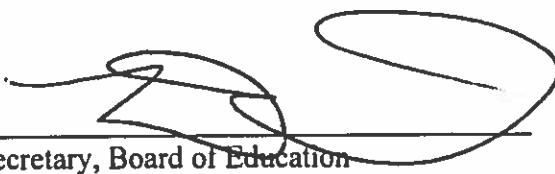
10. The Issuer hereby designates the Bonds of this issue as "qualified tax-exempt obligations" for purposes of deduction of interest expense by financial institutions under the provisions of the Internal Revenue Code of 1986, as amended. In making said designation, the Issuer determines that the reasonably 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 2016 will not exceed \$10,000,000.

11. 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 6

Nays: Members 0

Resolution declared adopted.

  
Secretary, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of Central Montcalm Public School, Montcalm and Ionia 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 October 18, 2016, 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

MFH/keh



# CFC CAPITAL

## EXHIBIT A

235 E. MAIN STREET | PO BOX 569 | MIDLAND, MI 48640  
T 800 867.9757 | W. ChemicalBankMI.com

September 27, 2016

Bill Collins, Secretary  
Board of Education  
Central Montcalm Schools  
1480 Sheridan Road  
Stanton, Michigan 48888

Dear Mr. Collins:

With respect to your Request for Proposal for \$5,405,000 – Central Montcalm Public Schools – Counties of Montcalm and Ionia, State of Michigan - 2016 School Building and Site Bonds, Series 1 (GO-UT), please be advised as follows:

For the entire issue, as described in your Request for Proposal, we will bid par, plus accrued interest from the dated date to the date of delivery to us for bonds maturing as follows:

5/1/2017	\$75,000	0.95%	5/1/2020	\$835,000	1.40%	5/1/2023	\$805,000	1.95%
5/1/2018	\$585,000	1.05%	5/1/2021	\$650,000	1.60%	5/1/2024	\$800,000	2.15%
5/1/2019	\$750,000	1.20%	5/1/2022	\$750,000	1.80%	5/1/2025	\$155,000	2.25%

The indication is for all or none of the bonds.

This bid is subject to the following conditions:

- A. That the bonds be exempt from federal and state income tax and further be declared to be a "Qualified Tax-Exempt Obligation" for the purpose of deduction of interest expense by financial institutions;
- B. That the bonds be a general obligation of Central Montcalm Public Schools;
- C. That the bonds be structured in accordance with Michigan statutes pertaining to the authority of School Districts to borrow;
- D. That the School provides bond documents and a legal opinion acceptable to bank counsel; and
- E. That the issuer will provide a third party paying agent, CUSIP numbers will be provided at the expense of the Bank, and the issue will close via DTC.

The rate commitments stated above will expire 45 days from the date of this letter unless extended by the Bank in writing. We are pleased to be of service to you.

Respectfully submitted,

Pavel Konecny  
Senior Vice President  
Senior Investment Officer

The following is a computation of the true interest cost on the above bid from October 18, 2016. This computation is not to be considered part of this bid and is subject to verification:

Gross Interest Cost	\$457,884.14
Premium (Discount)	0.00
Net Interest Cost	<u>\$457,884.14</u>
Net Interest Rate	<u>1.79510%</u>

Accepted by Central Montcalm Schools on (Date) 9-27-16

By: Amy Manhardt  
Its: Superintendent

**EXHIBIT B**

**\$5,405,000**

*Central Montcalm Schools  
Counties of Montcalm and Ionia, State of Michigan  
2016 School Building and Site Bonds, Series I (GO-UT)*

**Pricing Summary**

Maturity	Type	Maturity Value	Coupon	Yield	Yield to Call?	Price	Dollar Price	CUSIP
05/01/2017	Serial	100,000.00	0.950%	0.950%	No	100.000%	100,000.00	
05/01/2018	Serial	580,000.00	1.050%	1.050%	No	100.000%	580,000.00	
05/01/2019	Serial	740,000.00	1.200%	1.200%	No	100.000%	740,000.00	
05/01/2020	Serial	830,000.00	1.400%	1.400%	No	100.000%	830,000.00	
05/01/2021	Serial	645,000.00	1.600%	1.600%	No	100.000%	645,000.00	
05/01/2022	Serial	750,000.00	1.800%	1.800%	No	100.000%	750,000.00	
05/01/2023	Serial	805,000.00	1.950%	1.950%	No	100.000%	805,000.00	
05/01/2024	Serial	800,000.00	2.150%	2.150%	No	100.000%	800,000.00	
05/01/2025	Serial	155,000.00	2.250%	2.250%	No	100.000%	155,000.00	
<b>Total</b>	-	<b>\$5,405,000.00</b>	-	-	-	-	<b>\$5,405,000.00</b>	-

**Bid Information**

Par Amount of Bonds.....	\$5,405,000.00
Gross Production.....	\$5,405,000.00
Bid (100.000%).....	5,405,000.00
Total Purchase Price.....	\$5,405,000.00
Bond Year Dollars.....	\$25,447.68
Average Life.....	4.708 Years
Average Coupon.....	1.7959046%
Net Interest Cost (NIC).....	1.7959046%
True Interest Cost (TIC).....	1.7902936%
All Inclusive Cost (AIC).....	1.9862214%

2016 SBAS, Series I | SINGLE PURPOSE | 9/26/2016 | 4:13 PM