

January 3, 2008

MSAD #7 MINUTES

The MSAD #7 Board of Directors met in Regular Session at 5:15 p.m.
Wednesday, January 2, 2008 in the Library at NHCS

Present Were: Nancy Hopkins-Davisson, Doreen Cabot, David Cooper, Cindy Page and Nancy Lee Stone

Also Present: Barney Hallowell, Principal, Tom Marx, Superintendent

MINUTES

The Meeting was called to order at 5:18 p.m.

The Minutes of the December 5, 2007 meeting were accepted unanimously.

The Board discussed the Audit. Questions were asked and answered. We ended the 2006-07 school year in the black.

Barney Hallowell, reported that we are \$200,000. away from our \$6,230,000 target for our new school construction.

Tom Marx explained the progress on the construction project. We have been held up by the SIPS panel not being here on schedule. He also discussed the SIPS panels on the walls of the gym and their exposure to rain for 5 weeks.

The Principal reported on multiple items: the fall play "The Effect of Gamma Rays and Marigolds", the end of the 1st trimester was December 6, 2007, high honors & honors students, ACT testing, Spirit Week December 10, 2007, the Winter Music Concert on December 11, 2007, the 11th & 12th graders visit to boatyards on the mainland, the beginning of work on Knowledge Fair, a meeting with Rockland librarians on the design of the library for the new school, The "Edutopia" photographers photo visit here, the basketball games with Vinalhaven, the luncheon for the construction crew with the chowder prepared by Kate Quinn, Leigann Chillis's fine work filling in for bus driver for 6 weeks, "Drop Everything and Read" day, the "Graduate Forum" held today, the contributions Alice Bissell and Terry Goodhue make in our school coming over everyday from Vinalhaven, Ian Hopkins had been accepted Early Decision at Maine Maritime, Amilia Campbell has applied to a number of quality schools (she is going to the Ocean Classroom semester on January 17, 2007), Natalie Jones will be studying in France the second trimester, the town is sanding our driveway, and John Waterman is doing a good job as our maintenance man.

The Superintendent informed the Board of three items: the position of MSSA and MSBA association on Regionalization, Ted Sage's notice of his intent to apply for a sabbatical and an update on our filing an Alternative Plan for School Reorganization.

The Board discussed the awarding of the Bond Anticipation Note. It was moved (Nan Lee Stone), seconded (David Cooper) and passed unanimously to approve the following "Votes to be Adopted for \$1,900,000 Bond Anticipation Note":

VOTES TO BE ADOPTED FOR \$1,900,000 BOND ANTICIPATION NOTE:

Voted: That the votes of this Board adopted on October 1, 2007 awarding the District's \$1,900,000 bond anticipation note for school construction purposes to Maine Bank & Trust be rescinded.

Voted: That the offer of The First, N.A. to purchase bond anticipation notes of the Maine School Administrative District No. 7 in the original principal amount of up to \$1,900,000 with an interest rate per annum on the outstanding principal amount thereof equal to 3.57%, be and the same hereby is accepted and approved, and that Maine School Administrative District No. 7 borrow up to said amount from The First, N.A. at said rate for school construction purposes, principal and interest to be paid at maturity on June 6, 2008.

Voted: That under and pursuant to the provisions of Title 20-A M.R.S.A. Section 1311, the Chairperson of the Board of School Directors and the Treasurer of the District be and they are hereby authorized to borrow from The First, N.A. in the name and on behalf of the District the sum of up to \$1,900,000 at the per annum interest rate of 3.57%, and that the Chairperson of the Board of School Directors and the Treasurer be and they are hereby authorized to issue general obligation securities of Maine School Administrative District No. 7 in an aggregate principal amount not to exceed \$1,900,000 which securities are for the purpose of financing costs of school construction, and to execute and deliver a note or notes under the seal of the District attested by the Secretary, dated on or about January 9, 2008, in such form as the Chairperson of the Board of School Directors and the Treasurer may approve; and that the appropriate officials of the District be and hereby are authorized to execute and deliver on behalf of the District such other documents and certificates as may be required in connection with such borrowing; and that no part of the proceeds of said borrowing shall be used, directly or indirectly, to acquire any securities and obligations, the acquisition of which would cause the notes to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"); and that the bond anticipation notes issued pursuant hereto be designated as a qualified tax-exempt obligations within the meaning of Section 265(b)(3) of said Code; and that the Chairperson of the Board of School Directors and the Treasurer be and they are hereby authorized to covenant on behalf of the District to file any information report and pay any rebate due to the United States in connection with the issuance of said notes, to take all other lawful actions necessary to insure the interest on the notes will be excluded from the gross income of the owners thereof for purposes of federal income taxation and to refrain from taking any action which would cause interest on the notes to become includable in the gross income of the owners thereof.

The Board reviewed the changes to the "Child Find Policy" and the "Notification of Rights" Policy modifications. It was moved, seconded and passed unanimously to approve these policies in first and seconded reading.

The Board discussed the awarding of the Pledge Fund Note. It was moved (David Cooper), seconded (Nan Lee Stone) and passed unanimously to approve the following "Votes to be Adapted for \$1,620,000 Special Pledge Fund Note":

VOTES TO BE ADOPTED FOR \$1,620,000 SPECIAL PLEDGE FUND NOTE

Voted: That the offer of The First, N.A. to purchase a limited special fund note of Maine School Administrative District No. 7 in the original principal amount of up to \$1,620,000 with an interest rate per annum on the outstanding principal amount thereof equal to 3.94%, be and the same hereby is accepted and approved, and that Maine School Administrative

District No. 7 borrow up to said amount from The First, N.A. at said rate for school construction purposes, interest to be paid quarterly, with a final maturity on January 9, 2011, with principal and interest to be paid solely from gifts pursuant to pledges received or to be received pursuant to the capital campaign to build the new school, and to the extent said gifts are not sufficient to fully pay said note, to be paid solely from a refunding bond which likewise shall be payable solely from such gifts.

Voted: That the Chairperson of the Board of School Directors and the Treasurer of the District be and they are hereby authorized to borrow from The First, N.A. in the name and on behalf of the District the sum of up to \$1,620,000 at the per annum interest rate of 3.94%, and that the Chairperson of the Board of School Directors and the Treasurer be and they are hereby authorized to issue limited special fund securities of Maine School Administrative District No. 7 in an aggregate principal amount not to exceed \$1,620,000 which securities are for the purpose of financing costs of school construction, and to execute and deliver a note or notes under the seal of the District attested by the Secretary, dated on or about January 9, 2008, in such form as the Chairperson of the Board of School Directors and the Treasurer may approve, provided however, that said note or notes shall not pledge the full faith and credit of the District and shall not be general obligations of the District, but instead shall be payable as to interest and principal solely from pledged gifts that the District has or will receive pursuant to the District's capital campaign to build the new school and to the extent said gifts are not sufficient to fully pay said note or notes, to be paid solely from a refunding bond which likewise shall be payable solely from such gifts; and that the Chairperson of the Board of Directors and the Treasurer on behalf of the District be and they are hereby authorized to secure payment of the note or notes to The First, N.A. by pledging and granting a security interest in said gifts and pledges and the account or accounts holding said gifts and pledges, and to execute such pledge and security agreements for that purpose as The First, N.A. shall require, provided that no other funds, accounts or assets of the District shall be included as collateral; and that appropriate officials of the District be and hereby are authorized to execute and deliver on behalf of the District such other documents and certificates as may be required in connection with such borrowing; and that no part of the proceeds of said borrowing shall be used, directly or indirectly, to acquire any securities and obligations, the acquisition of which would cause the notes to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"); and that the notes issued pursuant hereto be designated as a qualified tax-exempt obligations within the meaning of Section 265(b)(3) of said Code; and that the Chairperson of the Board of School Directors and the Treasurer be and they are hereby authorized to covenant on behalf of the District to file any information report and pay any rebate due to the United States in connection with the issuance of said notes, to take all other lawful actions necessary to insure the interest on the notes will be excluded from the gross income of the owners thereof for purposes of federal income taxation and to refrain from taking any action which would cause interest on the notes to become includable in the gross income of the owners thereof.

In the absence of any other business the meeting was adjourned at 6:32 p.m.

Respectfully Submitted

Tom Marx
Superintendent of Schools