

NEWTON COUNTY BOARD OF EDUCATION

Planning Meeting

Tuesday, November 12, 2009

The Newton County Board of Education met for its quarterly planning meeting on November 12, 2009, in the conference room of the Administrative Offices of the Newton County Board of Education. The meeting was called to order at 6:15 P.M. by Chairperson Dr. C. C. Bates. In addition to the Chairperson, Board members present included Mr. Johnny Smith, Mr. Eddie Johnson, Mrs. Cathy Dobbs, and Mr. Almond Turner. Also present were: Superintendent, Dr. Steve Whatley; Deputy Superintendent, Mr. Dennis Carpenter; Associate Superintendent, Dr. Linda Hayden; Director of CTAE, Mr. James Woodward; Business Manager, Mrs. Peggy Bullard.; and Ms. Sherri Viniard, Director of Public Relations. Mr. Bryce Holcomb, Citi Group, was also present.

After a welcome, invocation by Mr. Turner, and dinner, Dr. Whatley reviewed the agenda for the meeting.

Dr. Whatley reviewed information in the Board packet regarding the original estimated timeline of major activities based on the September 18, 2007 Referendum for Schools. Also reviewed were the revised revenue estimates and projected expenditures for original projects outlined. Due to the lower actual SPLOST revenues and a decline in the District's property tax digest the District needs to re-consider the timing of projects and how they are funded.

Mr. Bryce Holcomb, Bond Investment Counselor of Citi Group, provided the Board a bond program update. Included in the review was an explanation of the Quality School Construction Bonds program under the American Recovery and Reinvestment Act of 2009. The Act creates a new category of tax credit bonds (QSCBs) which may be used to finance capital projects for public school facilities. The Newton County Schools has requested \$25,000,000 in QSCBs which, if granted, must be spent on the construction, rehabilitation or repair of public schools or for the acquisition of land for such facilities. Issued as GO Bonds, offering a near zero interest cost and an invested sinking fund, this plan would allow the District to offset debt service with interest earned over the life of the bonds. A requirement of QSCB financing is the stipulation that the District must comply with the Davis-Bacon Act regarding construction. It is estimated that the plan could save taxpayers \$8.66 million in interest cost and \$6.66 million overall after deducting the maximum cost for Davis-Bacon compliance. Mr. Holcomb also reviewed a plan for refunding the Series 1997 General Obligation Bonds by combining the refunding with the upcoming new GO bonding.

Mr. James Woodward provided an overview of the Newton College and Career Academy building/program options.

Dr. Dennis Carpenter reviewed the building program projects as revised based on undated SPLOST III revenue and expenditure projections. Comments and suggestions were made by Board members of further options for review

Dr. Whatley presented information regarding potential budget adjustment for FY 2011. Discussion followed.

At 8:30 P.M. on a motion by Mr. Johnson and seconded by Ms. Dobbs the Board unanimously voted for adjournment.

Superintendent, Newton County Schools

Chair, Newton County Board of Education