

**MINUTES OF SPECIAL MEETING
OF
BOARD OF EDUCATION, SCHOOL DISTRICT NO. 172
ADAMS COUNTY, ILLINOIS
HELD ON JANUARY 30, 2012 – 5:00 P.M.**

Meeting Convened

The Board of Education of School District No. 172, Adams County, Illinois, met in special session on January 30, 2012 at 5:00 p.m. in the Board of Education Office, Room 214, located at 1416 Maine Street, Quincy, Illinois, in said school district.

Roll Call

The meeting was called to order by President Daniels, who directed the secretary to call the roll. On the call of the roll, the following members were present and answered to their names: Members Daniels, Dickerson, Erwin, Krause, Mays, Niekamp, and Stone; and the following member was absent: None. Whereupon the president declared that a quorum was present. Member Dickerson was present telephonically.

Questions and Comments

President Daniels opened the meeting to questions and comments to members of the Board, by members of the public and employees of the district, in compliance with state statutes.

Mr. Jeff Kerkhoff questioned why the Board was meeting tonight as opposed to waiting until the February meeting. He also questioned the cost of refinancing the bonds. President Daniels indicated that his questions about the bonds would be answered prior to the vote on the bonds.

Food Bids

The Board reviewed the food bid information. There were two bidders: Kohl Wholesale and Fox River Foods.

It was moved by Member Erwin and seconded by Member Stone to award the line item bid to Kohl Wholesale and Fox River Foods at a total cost of \$361,430.81 (Doc. Reg. No. 2580). On the call of the roll, the following members voted Aye: Members Daniels, Dickerson, Erwin, Krause, Mays, Niekamp and Stone; and the following member voted Nay: None. Whereupon the president declared the motion carried.

General Obligation School Refunding Bonds

Stephen Adams, an official with Bernardi Securities, informed the Board that with the refinancing, the interest rate on the bonds will drop from 5.24 percent to 3.42 percent, saving over \$840,000 over five years. Payoff date remains 2017 for the bonds. Total cost to refinance the bonds is \$200,000 for a net savings of \$640,000. He explained that the refinancing will help improve the District's bond rating from BBB- with a negative outlook to BBB+ with a positive outlook. The rating can be upgraded further if the District stays on track. He commended the Board on their efforts to reduce expenditures and deficit spending.

Member Mays noted that refinancing the bonds will result in a tax decrease. If voters approve the working cash bonds, taxes will be back up and it will be a wash. Member Krause stated that if the working cash bonds do not pass, the District will have to continue borrowing money for the Education Funding costing the District \$30,000 to \$40,000 annually in interest. Business Manager Bud Martin said the issuing of working cash bonds is a separate matter. If voters approve the action in March, the cost of issuing the working cash bonds would be about the same amount as the money being saved by refinancing the general obligation bonds.

President Daniels presented the resolution and the Board Secretary read the title. Copies of the resolution were provided for Board members and audience.

It was moved by Member Erwin and seconded by Member Stone that the Resolution providing for the issue of \$11,490,000 General Obligation School Refunding Bonds, Series 2012, or School District Number 172, Adams Count, Illinois, and for the levy of a direct annual tax sufficient to pay the principal and interest on said bonds, authorizing the deposit of said taxes levied to pay said bonds directly into a designated tax escrow account and authorizing and directing the execution of an escrow agreement be approved.(Doc. Reg. No. 2581). On the call of the roll, the following members voted Aye: Members Daniels, Dickerson, Erwin, Krause, Mays, Niekamp and Stone; and the following member voted Nay: None. Whereupon the president declared the motion carried.

Executive Session

At 5:30 p.m., it was moved by Member Krause and seconded by Member Stone that the Board suspend the rules and go into executive session to discuss student discipline and employment of personnel On the call of the roll, the following members voted Aye: Members Daniels, Dickerson, Erwin, Krause, Mays, Niekamp and Stone; and the following member voted Nay: None. Whereupon the president declared the motion carried.

Arrival of Member Dickerson

Member Dickerson arrived physically at the beginning of executive session at 5:32 p.m. which was duly recorded by the Board Secretary.

Resumption of Rules

It was moved by Member Dickerson and seconded by Member Stone to resume the conduct of the special meeting under rules. On the call of the roll, the following members voted Aye: Members Daniels, Dickerson, Erwin, Krause, Mays, Niekamp and Stone; and the following member voted Nay: None. Whereupon the president declared the motion carried.

Adjournment

It was moved by Member Dickerson and seconded by Member Stone at 6:05 p.m. that the special meeting adjourn. On the call of the roll, the following members voted Aye: Members Daniels, Dickerson, Erwin, Krause, Mays, Niekamp, and Stone; and the following member voted Nay: None. Whereupon the president declared the motion carried and the special meeting was duly adjourned.



Bill Daniels
President



Phyllis Stewart
Secretary