

The Grinnell-Newburg Board of Education met in Special Session on August 6, 2014, at 6:00 p.m. at the City Council Chambers, 2nd Floor, Community Building 927 4th Ave., Grinnell, Iowa 50112.

Members Present: Jeff Smith, Barbara Brown, Kirsten Fisher, Jeff Knobloch, Claire Moisan, and Carol Wilhelm. Also in attendance at the table: Superintendent Todd Abrahamson, Business Manager and Board Secretary/Treasurer Lisa Johnson.

Members Absent: Jonathon Nance

Administrators Present: None

1. Call to Order and Roll Call

President Smith called the regular meeting to order at 6:00 p.m. Board Secretary Lisa Johnson called the roll. Six members were in attendance.

2. Bonding Process

Tim Oswald from Piper Jaffray spoke about the financing options for a building project. He explained that the questions on the bond vote will be one on the approval of the project and the second would be for the amount of tax that can be used to do that. This question is only needed if the board wants the tax rate to be above \$2.70. Typically the second question loses 2-3% of the yes votes from the first question.

He cautioned the board to pressure the architects to include those items they are not responsible for into the budget (clean-up, furniture, site work).

To use the Sales Tax funds there are no requirements of public approval. The board has the ability through a board vote to approve the spending of these funds as they see fit. Typically for every \$1.20 of revenue the district can get \$1.00 in bonds. The \$0.20 as earned can be spent as the district sees fit for maintenance or any other approved purpose. Districts need to be cautious to set aside some funds from Sales Tax for annual costs for “stuff” (computers, buses, roofs, technology infrastructure, etc). An infrastructure plan with funds applied to it, to maintain the assets is needed to ensure the investment is protected well into the future.

3. Resources Available

Tim discussed the schedule with options for project timing and financing available. The funding resources range from \$33-53M depending on assumptions, project timing, and bond/tax rate approvals. These amounts are overstated slightly, because they do not include holding back any of the Sales Tax for maintenance. We also need to be sure to get the PPEL approved soon, because it expires in 2016.

A bond issue requires 60% plus 1 “yes” votes to pass. The focus cannot be on converting “No” votes, but going to go get the “yes” votes. He recommends getting expert advice on how to organize a bond campaign. Get the date set early with the County to ensure no other elections are on the selected date.

The need for a strong campaign committee is needed for a vote to pass. Typically more than a dozen people, but less than 30 are needed to organize and get the work done. Board members can communicate facts, but cannot encourage a “yes” vote. Identifying absentee votes and getting those votes can be a huge factor.

Superintendent Abrahamson is meeting with a teacher group and other groups within the community next week and in the future. Developing a good committee is part of the timeline.

Scope creep can be a huge budgetary issue. Once the project is started it is easy for people to approach with ideas for add-ons. It is key to keep these under control and perhaps add some of them on the backside if funding allows.

He also cautioned to be sure to keep in mind the annual budgetary implications of each option. Reducing overlap and not having excess space is important to maintaining an operating budget.

Tim stated it is also important to note that our current debt will be paid in 2016, so a \$2.70 tax would only cause a slight increase in taxes over the current rates.

The campaign committee is typically made up of parents, community leaders who are comfortable speaking and those who are great task doers (like going to all parents’ households and getting absentee votes, etc).

Wilhelm asked for the key takeaways. Tim responded with:

1. Determine what will the public support.
2. Know what Sales Tax funds will be needed for maintenance.
3. Consider budgetary implications of decisions.

In talking with the public we need to explain “why the project?” and “why now?”

Abrahamson stated the next steps are to try to continue on with the timeline and make decisions to keep on track for the April 2015 bond vote date. He is continuing to work with groups and will reach out to experts to help start developing a campaign committee.

Fisher stated the board still needs to make decisions on location and timelines. She asked when we plan to make those decisions. Abrahamson believes we will have a decision from the city on 11th Avenue by the September board meeting, so he recommends we have the vote for location of both the Elementary and a Middle School in September.

4. Adjournment

Motion by Brown, seconded by Knobloch to adjourn the meeting. Motion carried 6-0.
Meeting adjourned at 7:30 p.m.

Board Calendar:

Policy Committee

4:00 p.m., August 7, 2014

Regular Board Meeting

6:00 p.m., August 13, 2014