

# WYOMISSING AREA SCHOOL DISTRICT 2004-2005

**Minutes** December 20, 2004

The special meeting of the Board of School Directors convened at 6:32 p.m. in the Community Board Room with Mr. Snyder, Board President, presiding.

Board Members Present: Mrs. Barnett, Mr. Deem, Mr. Larkin, Mr. Love, Mrs. McCready, Mr. Murray, Mrs. Sakmann, and Mr. Snyder.

Board Member Absent: Dr. Shuttlesworth

Administrative Staff Present: Dr. Dietz, Mrs. Riedel, and Mr. McDonnell.

Attendees: Mr. Boland, Solicitor; Mr. Phillips, RBC Dain Rausch; Mr. Setley and Mr. Peck, Concord Public Finance.

Mr. Snyder announced that the Board met this evening in an executive session at 6:00 p.m. to discuss negotiations.

Mr. Snyder requested that the three items on the superintendent's report be discussed and voted on separately.

Mr. Phillips, Mr. Setley and Mr. Peck gave a presentation on the advance refunding resolution for Series 2001 Bonds.

APPROVED  
RESOLUTION TO  
PROCEED WITH  
REFUNDING

Upon motion by Mr. Larkin, second by Mr. Murray, the Board of School Directors approved a resolution to proceed with the advance refunding of Series 2001 bonds to realize savings in excess of the 2.5% authorized by the Board.

Yeas: Barnett, Deem, Larkin, Love, McCready, Murray, Sakmann, and Snyder.

Nays: None. Motion carried.

Mr. Phillips, Mr. Setley, and Mr. Peck gave a brief update on the SWAP opportunity.

APPROVED  
RESOLUTION TO  
PROCEED WITH  
SWAP BOND ISSUE

After discussion by the Board, Mr. Larkin made a motion, second by Mr. Murray, to approve a resolution to proceed with a SWAP bond issue at the earliest possible time after the strike price of 4.02% and an upfront payment of \$200,000 can be realized.

Yeas: Barnett, Deem, Larkin, Love, Murray, Sakmann, and Snyder.

Nays: McCready. Motion carried.

# WYOMISSING AREA SCHOOL DISTRICT

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APPROVED  
SUPERINTENDENT'S  
SALARY INCREASE

Mrs. Barnett recommended changing the motion wording on the third agenda. After discussion, the solicitor suggested it read as follows: "Approve a salary increase for Dr. Mark T. Dietz to \$131,030, effective January 1, 2005." The Board agreed and a motion was made by Mr. Love, seconded by Mrs. McCready.

Yeas: Barnett, Deem, Larkin, Love, McCready, Murray, Sakmann, and Snyder.

Nays: None. Motion carried.

There being no further business and upon motion by Mr. Love, second by Mrs. Sakmann, the meeting adjourned to executive session to discuss negotiations.

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Arthur J. McDonnell  
Board Secretary

# WYOMISSING AREA SCHOOL DISTRICT

December 20, 2004

## SUPERINTENDENT'S REPORT

To: Members of the Board of School Directors

- A. The superintendent respectfully submits the following information and recommendations for Board approval:

### 1. Finance

- a. **Recommended Action:** Approve a resolution to proceed with the advance refunding of Series 2001 bonds to realize savings in excess of the 2.50% authorized by the Board.

**Presentation:** Mr. Ken Phillips, RBC Dain Rauscher, Mike Setley and Daryl Peck from Concord Public Finance will give a brief presentation on the advance refunding resolution for Series of 2001 Bonds

**Background information:** *An opportunity exists for significant savings via an advance refunding of the Series of 2001 Bonds. The opportunity has again presented itself due to short-term investment rate increases. The aforementioned individuals will discuss details at the meeting. The administrative recommendation is to proceed with the advance refunding resolution to realize savings in excess of the 2.50% authorized by the Board on November 22, 2004.*

- b. **Recommended Action:** Approve a resolution to proceed with a SWAP bond issue at the earliest possible time after the strike price of 4.02% and an upfront payment of \$200,000 can be realized.

**Presentation:** Mr. Ken Phillips, RBC Dain Rauscher, Mike Setley and Daryl Peck from Concord Public Finance will give a brief update on the SWAP opportunity.

**Background information:** *As a result of Act 23 of 2003, signed into law on September 24, 2003, Pennsylvania school districts and local governments now have express legislative authorization to do interest rate swaps. A swap is a contract between two parties to exchange cash flows or payment streams based on an assumed principal amount called the notional amount. A swap may be done with existing bond debt. Mr. Phillips and Mr. Peck presented the swap concept at the March 1, 2004, finance committee meeting. Additional presentations were made on September 27, 2004 and November 22, 2004 with various options being discussed.*

*The option of a Swaption with a one year lock-out and an upfront payment of \$200,000 to the District was authorized at the September 27, 2004, finance committee meeting. The finance committee established a strike price of 4.02% as the threshold for the transaction. Action on the approval was tabled at the October 25, 2004, School Board meeting. The Board authorized the strike price of 4.02% and an upfront payment of \$200,000 at the November 22, 2004 finance committee meeting.*

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c. **Recommended Action:** Approve Superintendent's Salary Increase

Approve a salary increase for Dr. Mark T. Dietz in the amount of \$3,000 from the current salary of \$128,030 to \$131,030 for the 2004-05 year, effective January 1, 2005 to September 30, 2005, prorated.

Recommended Action

The Superintendent recommends that the Board of School Directors approve the recommendations in the Superintendent's report as listed above.