

WEST GEAUGA BOARD OF EDUCATION

Finance Committee Meeting Friday, August 6, 2010 7:30 a.m.

In Attendance: Bill Beers, Chairperson/President of the Board; Tom Diring, Superintendent; Michele Tullai, Treasurer; Sally Gillmore, Board Member; Patricia Wright, WGEA and Community Member; Kristen Gregory, WGEA and Staff Member; Denise Gaskell, Staff Member

Treasurer Tullai reported that she and Superintendent Podojil had met with Don Rice from Metzenbaum to discuss a rental fee for the Transportation facility. Don believes a rate of 3.5% would be acceptable – that is the average investment rate Metzenbaum has earned over the past 10 years. Michele had rates for borrowing (if the district had financed the facility) and they ranged from 4.35 to 5.5%. Additionally, First National Bank reported if \$2 million were invested in a 30 year Treasury note it could earn 4%. Based on these findings, 3.5% seems to be a reasonable amount. The yearly payment would be \$107,770 plus utilities. A possibility of a review every 5 years was also discussed and not received enthusiastically.

Treasurer Tullai discussed the Fowlers Mill Golf Course situation. Munson Township has been approved for a \$5 million EPA grant. If they choose to accept the grant, they will become owners of the property and be required to do clean up. The School District would lose approximately \$22,000 in taxes each year if the property is purchased by Munson Township

Treasurer Tullai briefly discussed an article by Ernie Strawser that appeared in School Business Officials magazine recently. It addresses the State funding and paints a bleak picture of State funds that will be available to schools.

Treasurer Tullai handed out a draft working copy of the five year forecast with actual 2010 figures. Discussion was held among the group regarding the categories and calculations used to arrive at them. Superintendent Diring commented that the District needs to address the deficit spending. Personnel costs are a large portion of the budget. Food service, class sizes, special education and a population assessment were discussed. Treasurer Tullai will continue to refine the forecast.

Meeting adjourned at 8:20 a.m.