

Minutes

Board of Education of the Rocky River City School District

The Board of Education of the Rocky River City School District, Cuyahoga County, Ohio, met in a Finance Committee session on August 19, 2010 at 6:00 p.m. in the Board Room at the Board of Education Offices.

CALL TO ORDER at 6:10 p.m. by Mr. Swartz, Chair

PRESENT: Mr. Swartz, Ms. Goepfer, Mrs. Rounds, Dr. Fancher

ABSENT: Mr. Milano

Mr. Markus reviewed and discussed the following items with the committee and others in attendance:

Financial Summary – July 2010

Per the County's tax advance schedule, we received our two scheduled real and public utility tangible tax advances for the second half 2009 (collection year 2010) time period. We also received a very, very small amount from our tangible personal property tax settlement from the remaining portion left as taxable for the current year.

You will notice that all revenue and expenditure estimates for the month of July and fiscal YTD are equal to the actual amounts. This is because I have just set up the monthly estimates going forward for the remainder of the year as of the end of July. You will see my initial monthly estimates on the attached SM-1 report that we will begin to compare against starting next month.

Please reference the SM-2 Comparison Report for how our FY 11 revenue and expenditure data compare to FY 09 amounts. Total fiscal YTD revenues (excluding other financing sources) came in *below* the fiscal 2010 amount by 9.23% while fiscal YTD expenditures (excluding other financing sources) came in 4.77% *below* the fiscal 2010 amount.

The reason our revenues are down year over year is due to a decrease in property tax advances received this July vs. last July. At this point I am not certain as to why this is down so significantly, but I should be able to get a read on this as the County closes out the second half collection and processes our settlement which is expected to occur in September. We can then determine if there was an increase in delinquents or some other issue. In the meantime, I've emailed the County Treasurer's Office to see if they can provide any insight into the drop off.

The main reason our overall expenditures were down was due to the fact that we did not need to pay our Lakewood career tech billing in July this year since we paid this back in January (as reflected in the contracted services line #3.030). We did see an increase in the salaries and benefits lines which were expected due to salary schedule increases. However, the supplies/materials and capital outlay areas were slightly less than what was spent last year. The increase in the Other Objects line was due to the timing of payment of our liability insurance premium.

Our ending cash balance ended slightly below last year's level (\$8,363,308 vs. \$8,647,969) mainly due to the decrease in real property tax advances this July tempered by our under-

Minutes

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spending in our contracted services line explained previously. Encumbrances ended moderately below last year's amount mainly due to timing at this point in the year.

Board of Revisions/Board of Tax Appeals Update

The BOR/BTA reports of outstanding cases as prepared by Dan McIntyre as of July 31, 2010 were reviewed by the committee.

Bond Issue Update

Mr. Markus reviewed the recently revised bond issue timeline while highlighting the bond rating conference call on Sept. 6, the bond pricing date on Sept. 14 and the approximate closing date of Sept. 28. Mr. Markus also explained to the Board that the lead underwriter, RBC Capital, will be hosting a local investor seminar for local residents and business owners to obtain information about the availability of the bonds and apply for the purchase of District bonds. The planned date is Sept. 8 to be held here at the Board of Education offices at 6 p.m. More details and an official public announcement will follow.

ADJOURNMENT - 6:40 p.m by Mr. Swartz, CHAIR.

President

Treasurer