

MINUTES OF THE MARGARETTA BOARD OF EDUCATION SPECIAL MEETING OF
MAY 7, 2010.

The Margarettta Board of Education met in special session at 4:30 P.M. on May 7, 2008 at the Administrative Offices.

Mr. Lippert welcomed all those who attended and called the meeting to order with roll call;

Mr. Stark: present
Mr. Rankin: present
Mr. Myers: present
Mr. Bodey: present
Mr. Lippert: present

Treasurer's Report

Mr. Hammond began a discussion on Fiscal Caution. He stated that he received a phone call from Neill Allen from the Ohio Department of Education to begin the process of determining whether the state should place the district into fiscal caution. Mr. Hammond shared a letter sent to the Ohio Department of Education dated January 28, in which the district laid out a corrective action plan to avoid fiscal caution. Within the plan, the district would attempt to pass a tax levy in May. The Board did attempt to pass a \$5.86 Emergency Property Tax levy which failed. Mr. Hammond stated that from this point forward the state is going to be more involved in the financial decisions of the district.

Mr. Hammond proceeded to discuss the amendment of the five year forecast. The state allows districts to amend their five year forecast no later than May of the current year to report changes in the landscape since the September forecast was adopted. In lieu of the potential for state revenue cuts beginning in Fiscal Year 2012, Mr. Hammond believes the district should amend it's forecast. He stated that, although it is his assumptions, the forecast is based upon the beliefs and assumption of the board as well. He stated that most school treasurer's are projecting at least a loss of federal stimulus funds, and in most cases, a loss of state funds equal to the loss in federal funds. The district receives approximately \$285,000 in federal stimulus funds, doubling that number would reduce projected revenues by approximately \$570,000 beginning in Fiscal Year 2012. This will have an impact as we look to levy solutions and negotiations.

Mr. Hammond then spoke about a recent change in tax levy law that requires the Board of Education to file a levy resolution with the Board of Elections no later than the day after the August election if they are interested in placing a levy in the November general election. Currently the levy resolution has to be filed no later than seventy-five days prior to the election. For the August special election, the board has until Thursday May 20, 2010 to file the levy resolution. If the Board takes action to place a levy on the November election, we will need to take action prior to the August election to have a levy resolution

prepared and acted upon on the Wednesday after the August election. The process may be construed by some voters as the board conceding a failure in August.

Mr. Hammond presented to the Board with three versions of proposed Emergency Property Tax Resolutions which would request the Erie County Auditor to certify the mills needed to generate \$1,031,170, \$1,205,950 and \$1,688,625. Mr. Hammond went on to say that the district has a \$7.75 mill current expense levy that will be levied through 2011. The earliest that we could renew or replace that levy would be in November. That levy currently generates approximately \$1,243,000 per year. The Board was interested in doing one large levy that could in essence replace the revenue from the \$7.75 mill property tax levy and add the number of mills needed to have a positive five year forecast. Mr. Hammond told the Board it would take approximately \$12.5 mills in order to accomplish that goal. Mr. Hammond reminded the Board that approving any of the proposed levies does not place the levy on the August ballot, these are preliminary steps that would be necessary for the Board to take action at the regular Board meeting next week.

Motion by Mr. Myers, seconded by Mr. Bodey, to approve Board Resolution numbers 09-10-79, 09-10-80 and 09-10-81 requesting the Erie County Auditor to certify the mills necessary to generate \$1,205,950, \$1,688,625 and \$2,184,690 annually by way of Emergency Property Tax levies to be placed on the August 3, 2010 special election ballot; Roll Call: Mr. Stark: aye; Mr. Rankin: aye; Mr. Myers: aye; Mr. Bodey: aye; and Mr. Lippert: aye.

Motion by Mr. Myers, second by Mr. Bodey, to enter into executive session to discuss personnel matters and negotiations with no business to follow; Roll call: Mr. Rankin: aye; Mr. Myers: aye; Mr. Bodey: aye; Mr. Stark: aye; and Mr. Lippert: aye.

The board entered executive session at 5:14 p.m. with Mr. Kurt and Mr. Hammond present.

Motion by Mr. Myers, seconded by Mr. Bodey, to return to the special board meeting in open session; Roll call: Mr. Myers: aye; Mr. Bodey: aye; Mr. Stark: aye; Mr. Rankin: aye; and Mr. Lippert: aye.

The board entered open session at 6:34 p.m.

Motion by Mr. Bodey, seconded by Mr. Myers, to adjourn having no further business before the board; Roll call: Mr. Bodey: aye; Mr. Stark: aye; Mr. Rankin: aye; Mr. Myers: aye; and Mr. Lippert: aye.

Meeting adjourned at 6:35 P.M.

Respectfully Submitted

Elmer Lippert
President of the Board

Jude T. Hammond
Treasurer/Business Manager