

Holmdel Board of Education  
Budget & Finance Committee Minutes  
September 17, 2007

Attending: BOE members: Burke, Garrity and Wetmore; Administration: Duncan, Mikos and Petrizzo. Absent: Strickland

**Corporate Marketing Associates (CMA) presentation:** John Gulluscio, President, and Linda Boscia, Director of Marketing, discussed how they could earn the district extra revenue through advertising. We would have veto power over any advertiser and would determine where on district facilities advertising would be acceptable. Advertisers they have brought in include banks and financial institutions, auto dealerships, telecommunications, and other local businesses. Existing signage is grandfathered. They always put together a package of ads (vs an a la carte approach) for a variety of locations, e.g., the gym (“sports complex”), playing fields, on our website. They seem very creative in identifying possible ad locations.

Issues: Philosophically, is it ok to advertise to minors? If so, what products, and in what locations? How do we avoid giving the appearance of endorsing the advertisers? Also, how will this impact parent group fundraising, esp. Booster Club? The committee recommends we invite CMA to present to the full board in October, and invite p-group leaders to attend, so we can discuss and get feedback on these issues.

**2006-2007 Audit:** Should begin on October 8<sup>th</sup>, and take about three weeks.

**Other Matters:**

Roggy Financing: The Township Committee (TC) has funded Roggy through short term notes, but will soon be bonding the balance. Fundraising brought in \$185K, of which \$60K was used for plaza work. Sale of commemorative bricks for the plaza will attract more funds. After setting aside \$25K for contingencies, the TC will apply \$100K to reduce the amount to be financed to about \$700K. Our liability is for \$350K. Bond maturity is not yet known, most likely 10 or 15 years. Our annual share of debt service should not exceed \$40K (a very conservative estimate), assuming a 10 year maturity.

Food Service: No word yet on sales.

Profitability of various programs: Summer enrichment -- run by TC, which bore the risk of any loss. We don't have financial results. Question raised about the sports camps and where that money goes. Michael will explore and report back. Y Preschool -- administered by the Y, which bears the risk of loss. We don't have financial results. Prime Time -- run as an enterprise fund, self-sustaining, and earns a small surplus. Has accumulated a \$10K balance kept for contingencies, e.g., past A/C needs, program equipment, etc.

Next meeting: 4:15 PM, Monday, October 15, 2007

Respectfully submitted, Barbara Garrity