

CLC Board Meeting Minutes
4/4/01

Attending: Glenn Johnson, Lauri Perman, Liz Kisenwether, Lisa Sharfstein, Diane Lehman, Denise Kochersperger, Ann Bolser, Mark Toci, Sara Barley, Giles Driscoll, MJ Hogan, Jalynn Wolesslagle, Crystal Freyvogel, Helen Stokes, Leandra Troughton, Dan Klees

The open meeting of the Board began at 5:45 p.m.

I. Approval of the Minutes

The minutes were approved with no corrections.

II. Business

A. Executive Session.

The Board met regarding staffing plans for next year but didn't have enough time. The Board will meet again in a working session on April 12.

B. Facilities Acquisition

The proposed purchase price and monthly payments of the building have remained the same but many particulars of the proposed loans have changed since the last Board meeting. We are now looking at a second mortgage for \$270,000 with the seller (Galen Dreibelbis) for 7.5% for 20 years with a balloon payment after 5 years. This second mortgage is essential for us to make the purchase. The agreement with the seller also includes a \$50,000 unrestricted payment to the CLC.

The first mortgage is for \$825,000 with Mellon Bank for 20 years with a balloon payment in five years. The balloon payments coincide with the next charter renewal. Ann reports that the Mellon made this commitment with the expectation that we will be here for 20 more years.

Ann is also pursuing tax-exempt funding. Ferguson Township has not shown great interest but Ann is working with another industrial development authority. This could save us as much as 2 percentage points on a loan. In this scenario, the industrial development authority applies to the bank for the loan but the bank doesn't need to pay interest on the loan which is why we could save on the loan.

Mellon Bank needs a response to its letter of commitment. The interest rate is not yet locked in; it will also need to be renegotiated after the balloon payment comes due in five years. Ann Bolser distributed a letter of commitment from Mellon Bank with an attached term sheet for Board review.

The CLC attorney will review the letter of commitment and the agreement with the Dreibelbis's.

Glenn Johnson moved and Lauri Perman seconded that the Board approve the letter of commitment with the two contingencies as noted below.

The Board approved the terms of commitment and gave the go-ahead to Mellon Bank to draw up the final documents to be approved, including interest rates, closing costs, etc.

The Board also asked Ann Bolser to continue to pursue the tax-exempt funding and to explore capping the interest rate to be charged by Mellon after the balloon payment.

The loan terms require that we maintain a commitment to have no fewer than have 105 students next year for the full year.

C. Officers of the Board

Lauri Perman moved and Liz Kisenwether seconded that Ann Bolser be appointed to serve as Treasurer of the Board, a previously unfilled position. The Board approved this motion. Ann Bolser will fulfill the responsibilities of Treasurer as identified in the Articles of Incorporation.

D. Corporate Resolution

Ann Bolser presented for the Board's consideration a corporate resolution requiring the signatures of two Board members to approve any debts or expenditures of \$5,000 or more. Lauri Perman moved and Glenn Johnson seconded and the Board approved the corporate resolution.

The Board also agreed to revisit at a later time policies regarding the approval of expenditures.

Finally, the Board agreed to file the corporate resolution and not to submit the Mellon borrowing resolution.

III. Financial

Ann reported that we have paid off the \$100,000 loan covering the first iMAC computer loan. The \$80,000 loan is due to be paid off by March 2002.

The meeting adjourned at 7:10 p.m.

The next regular meeting of the Board will be on 4/26/01.