

# **Plum Borough School District**

## **Finance Committee Meeting Minutes For June 2014**

**(Meeting #12 – 2013-14)**

**Plum Borough School District  
Finance Committee Meeting Minutes  
June 2014**

**MEETING DATE:** Tuesday, June 17, 2014

**LOCATION:** High School Auditorium

**IN ATTENDANCE:**

- **Committee Members:** Mr. McGough, Chair; Mr. Dowdell and Mrs. Stepnick, Committee Members
  - **Board Members:** Mr. Colella, Mrs. White, Mrs. White, Mr. St. Ledger, Mr. Tommarello, and Mrs. Gallagher
  - **Administrative Representatives:** Mr. Marraccini, Dr. Glasspool, and Dr. Rossi
  - **Solicitor:** Mr. Price and Mr. Giglio from the firm of Andrews and Price
- 

**I. Committee member calls meeting to order.** Mr. McGough called meeting to order at 6:09 PM.

**II. Citizens Comments:**

- A. On agenda items: None
- B. On non-agenda items: None

**III. Agenda Action Item Discussions:**

**1. Treasurer's Report:** Approve Treasurer's Report for the Month of May 2014. Report was sent electronically to board members prior to the meeting for their review.

*Committee Recommendation: Move to Public Agenda*

**2. Recommend approval of Construction Invoices (G.O.B.) received after the June Facilities Committee meeting, as presented.** Invoices were electronically sent to board members for their review.

*Committee Recommendation: Move to Public Agenda*

**3. Recommend approval of General Fund (Fund 10) budget transfers for the month of June 2014, as presented.** Budget transfer list was electronically sent to Board Members for their review, prior to the meeting.

*Committee Recommendation: Move to Public Agenda*

**4. Recommend approval of Year End Business Office Functions:** Administration recommends approval of the following fiscal year end Business Office functions:

- A. Facsimile signatures for signing of General Fund, GOB Fund, Payroll Fund, Student Activities Fund, Athletic Fund, and Food Service (Cafeteria) Fund checks.
- B. Authorize the Director of Business Affairs to invest school district funds.
- C. Authorize payment of utilities and other discounted invoice pricing prior to the regularly scheduled monthly Public Board Meeting.

***Committee Recommendation: Move all to Public Agenda***

- 5. 2013-14 Year-End Budgetary Transfers:** Recommend approval authorizing Central Administration and the District's Independent Auditors to make all necessary year-end budgetary transfers after the June 30, 2014 for the 2013-14 fiscal year. Mr. Marraccini explained this is for the accruals and for revenues and expenditures paid after June 30, 2014 that are for 2013-14.

***Committee Recommendation: Move all to Public Agenda***

- 6. Recommends acceptance of the 2014-15 Final General Fund (10) Budget, as presented.** The 2014-15 Preliminary General Fund Budget (Fund 10) was passed on May 28, 2014 with proposed Revenues and Subsidies and Expenditures totaling \$58,109,391\*, with the millage rate set at 19.30 mils. Dr. Glassport reminded the committee the preliminary budget amount does not include additional funding needed for Forbes, which is estimated to be \$162,000 due to increased enrollment and an additional \$50,000 for the contingency fund. He also noted that PDE would allow school district to reopen their adopted final budget if the State does not pass their budget by June 30<sup>th</sup>, but districts must pass their final by June 30, 2014 regardless.

*\* Amount is subject to changed pursuant to board discussions.*

***After much discussion, the committee directed administration to present a final budget with the noted changes and others that may be discussed prior to the final adoption.***

***Committee Recommendation: Move all to Public Agenda***

- 7. Administration recommends approval of the following annual Local Tax Resolutions to support the funding of the 2014-15 General Fund (10) Budget as follows:**

- A. Approval of the Current Real Estate Tax Millage Rate at 19.30 mils; represents an increase of .542 mils. This is the maximum allowable increase per Act 1 Index.

***Committee Recommendation: Move to Public Agenda***

- B. Approval of the Per Capita Taxes at \$10.00; represents no increase.

***Committee Recommendation: Move to Public Agenda***

- C. Approval of Earned Income Taxes (EIT) at 1.0% shared equally with Borough or .5%; this represents no increase. Mr. Zucco reported he researched the possibility of changing the EIT rate and discovered any increases must be offset with other revenue reductions.

***Committee Recommendation: Move to Public Agenda***

- D. Approval of Deed Transfer Taxes at 1.0% shared equally with Borough; represents no increase.

***Committee Recommendation: Move all to Public Agenda***

- 8. Independent Auditing Services for the 2013-14 fiscal year.** Recommend acceptance of the Letter of Engagement (proposal) from Bielau, Tierney, Coon & Company, P.C. CPA's for the preparation of the 2013-14 audit and financial statements for an amount not to exceed \$19,500.

*Moved from Informational Discussion*

***Committee Recommendation: Move to Public Agenda***

- 9. ComDoc Copier Service renewal.** Administration recommends acceptance of the Comdoc Copier Services "refresh" proposal extension for copier services, as presented.

*Moved from Informational Discussion*  
**Committee Recommendation:** *Move to Public Agenda*

- 10. Homestead/Farmstead (H/F) Resolution for 2014-15.** Administration recommends approval of the Homestead/Farmstead Resolution for the 2014-15 in accordance with the provisions of the Taxpayer Relief Act (Act 1 of 2006). The Homestead property tax exclusion reduction amount is **\$110,747**, and the estimated tax relief per qualified property set at **\$210.41**. Copy of Resolution attached.

**Committee Recommendation:** *Move to Public Agenda*

- 11. Recommend acceptance of proposal from Pampena Landscaping and Construction, Inc. for pothole repairs at the Transportation Center.** Facilities recommends acceptance of proposal from Pampena Landscaping and Construction, Inc. in the amount of \$3,000 for pothole repairs. Copy of proposal attached.

**Committee Recommendation:** *Move to Public Agenda – Facilities Agenda*

**IV. Informational Discussion Items:**

- 1. Discuss Current Real Estate Tax Collector's Report for the month of May 2014 (6111).** The committee reviewed the report with no comments.
- 2. Discuss Monthly Revenues and Expenditures Comparison Graphs for the month of May 2014.** The committee reviewed the report with no comments.
- 3. Discuss Earned Income Tax Collection by Keystone Collections for the month of May 2014.** The committee reviewed the report with no comments. Mr. Marraccini noted the EIT collections through May indicates the District is on track to collect or exceed their budgeted revenue amount on an annualized basis.
- 4. Independent Auditing Services Update.** Prior, the Board had directed Administration to solicit proposals for fees for performing the annual audit. Mr. Marraccini indicated he received Letters of Engagement from both the incumbent auditors and another that performs work for the District, including PlanCon documents. Both companies' fees for the 2013-14 audit were identical at \$19,500. Additionally, Mr. Marraccini contacted Gateway and Penn Hills School District and discovered they were paying higher fees to their auditors. The final recommendation was to approve the RFP (Letter of Engagement) from the firm of Bielau, Tierney, Coon and Company, CPA's from Pittsburgh, PA in the amount not to exceed \$19,500.

**Committee Recommendation:** *Move to Public Agenda*

- 5. Homestead/Farmstead Property Tax Exclusion for 2014 update.** The District was recently notified by the Allegheny County Office of Assessments that the District's number of approved Homestead approved properties number is 7,856. The H/F allocation from the State Gaming is anticipated to be **\$1,653,383**. The estimated school tax property reduction for the approved properties is anticipated to result in a property tax reduction of approximately \$210.41. Mr. Schlegel was presented with a CD containing the information and will determine if there are any

duplications or assessments under the limit, which will cause to modify the number of qualified properties for the final calculation.

*Note: Mr. Schlegel provided updated exemptions for qualified property owners, thus changing the amounts above slightly. Refer to action items for updated amounts.*

***Committee Recommendation:*** Move to Public Agenda

**6 Discuss Comdoc's, the District's copier service vendor's "refresh" proposal.** Comdoc is recommending an upgrade to the copier equipment, increasing the no-charge overage allowance, lowering their monthly service charge, and extending their service agreement. Copy of Comdoc's proposal is attached. Mr. Marraccini indicated this would lock the copier fee rates for five years and that Comdoc has been a very valuable business partner since 2008.

***Committee Recommendation:*** Move to Public Agenda

**7. Discuss proposal from Pampena Landscaping and Construction, Inc. for pothole repairs at the Transportation Center.** Facilities recommends acceptance of proposal from Pampena Landscaping and Construction, Inc. in the amount of \$3,000 for pothole repairs. Copy of proposal attached.

***Committee Recommendation:*** Move to Public Agenda

**8. Discuss cafeteria furniture proposal from P.E.M.Co.** Administration recommends acceptance of state contract pricing contract with P.E.M.Co. for high school cafeteria round tables and movable booth tables and seating totaling \$44,185.55. Copies of proposals attached.

***Committee Recommendation:*** Move to Public Agenda

**V. New Business Roundtable Discussion.** Mr. McGough stated that he would like to go around to each board member for their ideas on the 2014-15 budget. Mr. McGough and each board member stated their position on various budget issues. Dr. Glasspool summarized the comments and consensuses for the final budget adoption amounts and indicated a revised budget would be prepared and distributed prior to the June 30, 2014 meeting.

**VI. Next scheduled Finance Committee Meeting: July 22, 2014**

**VII. Motion to adjourn.** Committee adjourned at 8:48 PM. It was announced that Execution Session would immediately follow.

Minutes prepared by:  
Eugene J. Marraccini  
Director of Business Affairs