

Plum Borough School District

**June 19, 2012
Finance Committee
Meeting Minutes**

(Finance Meeting #11/ 2011-12)

Plum Borough School District Finance Committee Meeting Minutes May 2012

MEETING DATE: Tuesday, June 19, 2012

LOCATION: High School Cafeteria Conference Room

PRESENT:

- **Committee Members:** Mr. Dowdell, Chairperson; Mr. St. Leger, Mr. Zucco, Committee Members
- **Board Members:** Mr. Colella, Mrs. White, Mr. Tommarello, and Mr. Drake
- **Administrative Representatives:** Mr. Marraccini, Dr. Glasspool, Dr. Rossi and Mr. Brewer
- **Solicitor:** Mr. Price, Attorney, Andrews & Price LLC

I. Call Meeting to Order. Mr. Dowdell called the meeting to order at 8:00 PM

II. Citizens Comments:

A. On agenda items.

1. Colleen Prokopik commented on FC&S cuts and Robotics.
1. J. R. Pilyih suggested Board use its Budgetary Reserves and restore program cuts.
2. Paul Freese cited JROTC instructor ratios and suggested one instructors be cut.

B. On non-agenda items.

1. None

III. Presentations:

1. Mr. Joseph Muscatello, Investment Banker, Boenning & Scattergood Inc. and Mr. Clifford Pastel presented bond refunding and borrowing options available to the district.
2. Several representatives from Kelly Staffing Services presented the District with staffing data for the 2011-12 school year. Kelly provided the majority of substitutes to the District in 2012-13. Board will consider the renewal of the agreement with Kelly this month.

III. Agenda Action Item Discussions:

1. **Treasurer's Report:** Approve Treasurers' Report for the month of May 2012. Report was sent to board members electronically prior to the meeting for their review.

Committee Recommendation: Move to Public Agenda

2. **Budget Transfers:** Approve budgetary transfers for the month of June 2012. Mr. Marraccini explained the budgetary transfers for the month will follow later in the week.

Follow-up action: Move to Public Agenda if no objections

- 3. Year End Business Functions:** Recommend approval of the following year-end Business Office functions:
- A. Facsimile signatures for signing of General Fund, GOB Funds (2), Payroll Fund, Student Activities Fund, and Athletic Fund (part of Fund 10) checks.
 - B. Authorize the Director of Business Affairs to invest school district funds.
 - C. Authorize payment of utility and other discounted invoice pricing prior to the regularly scheduled month Public Board Meeting.

Committee Recommendation: Move all to Public Agenda

- 4. 2012-13 Miscellaneous Tax Resolutions:** Administration recommends approval of the following local tax resolutions to support the funding of the 2012-13 General Fund (10) Budget as follows:
- A. Approval of the Current Real Estate Tax Millage Rate at 22.2 mils; represents no increase.
 - B. Approval of the Per Capita Taxes at \$10.00; represents no increase.
 - C. Approval of Earned Income Taxes (EIT) at 1.0% shared equally with Borough; represents no increase.
 - D. Approval of Deed Transfer Taxes at 1.0 % shared equally with Borough; represents no increase.
 - E. Approval of Local Service Taxes (LST) at \$5.00 per year.

Committee Recommendation: Move to Public Agenda

- 5. 2011-12 Fiscal 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, 2012 for the 2011-12 fiscal year.

Committee Recommendation: Move to Public Agenda

- 6. Insurance Quotations for 2012-13:** Administration recommends acceptance of the Gleason Agency's (*Division of AJG Risk Services, Inc.*) insurance quotations for the 2012-13 school year, as presented. Total proposed insurance premiums quotations are \$322,739.

Committee Recommendation: Move to Public Agenda

- 7. Harris Solutions (formerly ProSoft Technologies) Software Maintenance Renewal.** Administration recommends acceptance of five (5) year software maintenance/support proposal for all Harris Solutions, effective July 1, 2012 through June 30, 2017.

Committee Recommendation: Table until July Meeting

8. Microsoft District-wide Licensing Agreement. Recommend approval of the Microsoft Server Product Purchasing Group Participation Agreement for the 2012-13 school year at the cost of \$34,489.22, as presented.

Committee Recommendation: Move to Public Agenda

9. Sunesys Wide Area Network License Agreement: Recommend approval of Addendum No. 2012-01 to the Wide Area Network License Agreement between Sunesys, LLC and the Plum Borough School District for the new Pivik Elementary School. This will be paid through the GOB Fund as a construction item, as presented. Funding will be provided from the 2010 Series G.O.B. funds.

Committee Recommendation: Move to Public Agenda

10. Donation by Holiday Park PTA: Recommend acceptance of a donation of Smart Boards and iPads for the students at Holiday Park by the Holiday Park PTA, as presented.

Committee Recommendation: Move to Public Agenda

11. Sale of Obsolete and Unusable Computer Equipment: Recommend acceptance of proposal from Sycamore International Inc., Landenberg, PA to purchase obsolete and unusable computer equipment, as presented. Their proposal is based on a per unit price for working units and is estimated to net the District approximately \$23,000 which will be deposited into the District General Fund (10) depositories. This represented the best offer from three vendors.

Committee Recommendation: Move to Public Agenda

12. Act 32 Installment Payments for Small Business Owners: Recommend approval of a Resolution Adopting Installment Payments for Real Estate Taxes for Small Business Owners (under 50 employees) effective for the 2012-13 school year, as mandated by Act 32, as presented. Installment payments are managed by the local real estate tax collector.

Committee Recommendation: Move to Public Agenda

IV. Informational Discussion Items:

1. Discuss Real Estate Tax Collector's Report for the months of May 2012. The Committee reviewed Mr. Schlegel's monthly report. Mr. Marraccini noted current real estate tax collections were slightly over 100% of budgeted and that the delinquent real estate taxes collected by Andrews & Price will exceed budgeted with the June's revenues.

2. A. Discuss Plum Borough Earned Income Tax Collector's Reports for the month of May 2012. Mrs. Pedrosky's EIT report, which represents the fourth quarter of 2011 (4-Q-11) and the Final Returns for 2011 and the Local Service Tax (LST) Collections (1-Q-12) were reviewed and discussed. Mr. Marraccini noted the delinquent EIT for 2011-12 has exceed the budgeted amount of \$620,000 by \$66,283 to date and noted Mrs. Pedrosky does an excellent job collecting these delinquencies.

B. Discuss Keystone Collection Group's Earned Income Tax Collections Report for the month of May 2012. Committee reviewed the Keystone Collections Group's YTD EIT collections report for the period from 01-01-12 to 05-31-12.

3. Discuss Monthly Revenues and Expenditures Comparison Graphs for the month of May 2012. The Committee reviewed the revenues & expenditures YTD comparison information.

4. Discuss HSA Health Care Option for District Employees: The Board asked Administration to investigate any potential savings that may be generated if the district's health insurance plans would change from the PPO and/or HMO plans to a HSA plan. Mr. Marraccini contacted Mr. Garofalo of AON who presented comparative information about the current plan and the Borough's HSA plan. Mr. Garofalo indicated a HSA would not be beneficial and would cost the District an extra \$561,000 per year and the district would be required to withdraw from the Consortium. Mr. Garofalo will attend a future finance committee meeting to discuss in more detail the information provided.

V. New Business Roundtable. The Board was informed that they would be provided an updated budget report prior to the adoption of the budget on June 26, 2012. Mr. Marraccini indicated that a report containing the Preliminary Budget and Final Budget amounts and comparison will be distributed and placed on the District's website as well.

VI. Next scheduled Finance Committee Meeting: July 17, 2012

VII. Motion to adjourn. Committee adjourned at 10:26 PM

Minutes prepared by:

Eugene J. Marraccini
Director of Business Affairs