

# **Plum Borough School District**

## **Finance Committee**

### **Meeting Minutes**

For

April 21, 2015

**(Meeting #10 – 2014-15)**

**Plum Borough School District  
Finance Committee Meeting Minutes  
April 2015**

**Meeting Date:** April 21, 2015  
**Time:** 6:00 PM  
**Location:** Plum Senior High School Cafeteria Conference Room  
**Purpose:** Discuss District Financial Matters for the Month of April 2015  
**In Attendance:**

**Committee Members:** Mrs. Stepnick, Chairperson; Mr. Zucco & Mr. Dowdell, Committee Members  
**Administrative Representatives:** Mr. Marraccini, Dr. Glasspool, Dr. Rossi and Mr. Brewer  
**Board Members:** Mrs. White, Mr. McGough, Mrs. Gallagher, Mr. Colella and Mr. St. Ledger  
**Solicitor:** Mr. Price, Andrews & Price LLC

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I. **Call meeting to order.** Mrs. Stepnick called the meeting to order at 6:01 PM

II. **Citizens Comments:**

- A. **On agenda items:** Mrs. Terri Halasowski, a Food Service Building Manager for the District, asked about the status of the food service workers in light of Mrs. Lazzaro's retirement and if the workers and food service managers would be outsourced.  
Mrs. Stepnick indicted outsourcing of the food service workers is not being considered.  
Mr. Price commented that don't confuse the food service staff with the food service senior management (Mrs. Lazzaro's position) .

Committee asked for a copy of the 2013-14 Food Service Department Audit Statements. Mr. Marraccini will forward draft copies to all board members and also that Mrs. Lazzaro come before the Board to discuss transition ideas and recommendations for the upcoming school year.

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

III. **Agenda Action Items Discussions:**

1. **Treasurer's Report:** Committee discussed and approved Treasurer's Report for the Month of March 2015, as presented. The reports were sent electronically for board members' review prior to the meeting.  
*Committee recommendation: Move to the Public Agenda*
2. **Approval General Fund (10) Budgetary Transfer for the month of March 2015.** None at this time.
3. **Approval Construction Invoices received after the Facilities Committee Meeting.** Committee was provided with copies of construction invoices received after the Facilities Committee Meeting held on April 14, 2015 for approval, as presented.  
*Committee recommendation: Move to the Public Agenda*
4. **Recommend approval of 2015-16 Notice of Adoption and Use of Funds agreements with Allegheny Intermediate Unit #3 (AIU), as presented.** Copies of agreements are attached for review. Dr. Glasspool indicated that this is an annual maintenance item with the AIU.  
*Committee recommendation: Move to the Public Agenda*
5. **Recommend approval for sale of unusable rifles.** Administration recommended approval for sale of five (5) unusable Anschutz Model 1903 rifle team rifles for \$500.00 each. Three will be purchased by West Green HS and two by Waynesburg HS. Sale will be subject to a Hold Harmless Agreement prepared by the District's

Solicitor. Mrs. Stepnick asked why new rifles were purchased if they are good enough to be resold. Mr. Alpino will be contracted for additional information regarding the condition and status of these rifles.

*Committee recommendation: Move to the Public Agenda*

- 6. Recommend approval of 2015-16 Forbes Road CTC Proposed General Operating & Administrative Budgets, as presented.** The board members were provided a copy of the FRCTC budget for their remove.

*Committee recommendation: Move to the Public Agenda*

- 7. Recommend approval of Administration's Response to Management Letter prepared by local independent auditor for the 2013-14 audit.** This item was moved from the Informational Items.

*Committee recommendation: Move to the Public Agenda*

#### IV. Informational Items:

- 1. Committee reviewed the Real Estate Tax Collector's Report for the month of March 2015 prepared by Mr. Schlegel.** Copy of Mr. Schlegel's report is attached for review.
- 2. Committee reviewed the Current & Delinquent Earned Income Tax (EIT) & Local Service Tax (LST) Collection Reports for March 2015, prepared by Keystone Collections.** See Attached.
- 3. Committee reviewed the Revenues and Expenditures Comparison Graphs for March 2015.** See Attached.

*Mrs. Stepnick asked that the three above reports be eliminated from the Finance Committee Informational Section in the future and that the information be sent out electronically before the meeting for review.*

- 4. Committee reviewed Administration's Response to Management Letter prepared by local independent auditor, as presented.** No Comments. Item will be moved to the Action Item Section of the Public Agenda.
- 5. Committee discussed the suggested joint Real Estate Amnesty Program (REAP) with the Borough; publication of names and addresses of delinquent tax payers, scofflaw sheriff sales for the purpose of generating revenues and reducing delinquencies.** Comments were made to insure that "making payments" is substantial enough to pay outstanding delinquent amounts. Both entities will vote in May 2015.
- 6. Committee discussed the recent purchase of higher yield CD's from the Series of 2014 funds to maximize investment returns.** Mr. Marraccini noted that he allocated \$2,000,000 from Series of 2014 GOB funds for Regency Project (Fund 35) to reinvest funds with PSDLAF, effective 4/1/15 and maturing 3/31/16, at a net rate of .60, generating \$12,000 of income for the fund. Mr. Marraccini indicated that interest investment rates are up considerably for one year and longer. He indicted once the Regency Park timelines have been solidified, he will invest funds to maximize investment returns and that this recent reinvestment will produce returns six times higher than short term instructions.
- 7. Committee discussed the 2015-16 General Fund Budget (Fund 10). Committee was provided with an updated General Fund Budget (Fund 10).** Copy of budget was sent to board members electronically prior to the meeting. This budget's millage rate was reset to 18.758, the current rate instead of the Index rate and revenues from PDE Exceptions and Post-War Capital Reserve Fund Transfer were removed, as directed by the Board in March.

Mrs. Stepnick reported on her visit to Harrisburg recently, she was told not to count on receiving the full amount of the Governor's proposed Basic Educational Funding (BEF) and Special Education Funding (SEF) amount. This budget contains 50% of those proposed amounts. Additionally, she stated that previous Block Grant funding is now included in the BEF funding. Pension reform and Cyber/Charter funding are still major topic items at the state level. Dr. Glasspool reminded the Committee that the District must pass a Preliminary

Budget in May, preferably on May 21, 2015 and a Final Budget before June 30<sup>th</sup>. It was noted if the State does not pass their budget by June 30, 2015, districts would have the opportunity to reopen their budgets if state funding changed; increased or decreased.

Mr. Colella indicated he wants to closely review every expenditure before considering increasing taxes. Dr. Glasspool stated that he and central administrators are in favor of increasing taxes to the Index and for the PDE approved PSERS Exceptions amounts.

Mr. Colella suggested the District-wide Contingency amount (5910-840) be increased from \$275,000 to \$400,000 to insure any Cafeteria Fund shortfalls can be covered.

**V. Next scheduled Finance Committee Meeting:** Thursday, May 21, 2015 – 6:00 PM

**VI. Round table discussion.**

1. Discussed projected \$1,380,230 shortfall in construction funding for New Holiday Park Elementary Project.
2. Discussed the need for additional GOB borrowing to fund the construction of a new Regency Park Elementary School.
3. Discussed funding for recent new busses purchase. \$120,000 annual debt service is included in 2015-16 budget (5000-911).

**VII. Motion to adjourn.** Committee adjourned at 7:36 PM.

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