

**MARPLE NEWTOWN SCHOOL DISTRICT
BUDGET AND FINANCE COMMITTEE MEETING
TUESDAY, NOVEMBER 10, 2009
BOARD ROOM MINUTES**

PRESENT: Committee: Mr. Richard Sokorai, Mr. Michael Molinaro and Mr. Fred Dewey

Board: Dr. Jeff Shapiro, Mrs. Nancy Galbraith, and Mrs. Dana Kauffman, Mr. Richard Carpenter

Administration: Dr. Merle Horowitz, Mr. Joseph Driscoll, Mrs. Denise Land

Press: 0

Audience: 11

1. Call Meeting to order and Pledge of Allegiance

Mr. Sokorai called the meeting to order at 6:30 pm and welcomed all in attendance.

2. Approval of the agenda

No additions were made to the agenda for November 10, 2009.

3. Approval of October 5, and October 13m 2009 meeting minutes.

Mr. Sokorai made motion to delay the approval of the October 5, and October 13, 2009 minutes until the November 24, 2009 Board Meeting.

4. Business Office/Finance Reporting

Bills for payment: Motion approved to take to full Board the General Fund bills for October 2009.

Monthly Financial Reports September 2009

Mr. Joe Driscoll started by reviewing the Monthly Financial Reports for September and October of 2009. He discussed that some of the Real Estate Taxes were lower than anticipated. We are on target the same as last year, although one large tax payer from Marple Township is late with their taxes. Mr. Driscoll spoke briefly on the investment rates being very low compared to last year. He asked if anyone had any questions concerning the Treasurer Report or Investment Schedule, to please contact him.

There was a brief discussion by Mr. Driscoll concerning the General Fund and what funds come out of it. Mr. Driscoll explained all student activities, student athletics, educational supplies, salaries and supplements. Mr. Sokoria asked if the new Student Activity Fee we are charging is going into the General Fund? Mr. Driscoll replied yes. There was a brief discussion with Mr. Driscoll concerning the State Subsidy and it will be a small increase over last year.

Mr. Fred Dewey asked what the actual dollar amount was that we would receive from the state. Mr. Driscoll explained the State Subsidies. He stated 2.4 million is the base number for the 2% allowed by the state. He explained how the wealthier school districts receive less.

Mr. Dewey inquired to the Board if anyone present received a mail flyer that stated 4.7 million dollars was received by the district? There was a discussion on how that total reflected Federal Fund and State stimulus dollars, combined with Special Education Funds.

Mr. Driscoll explained the Transfer Taxes and the Homestead Rebate that is paid in two payments from the State.

4. December Bills For Payment

Mr. Driscoll asked the Board to authorize the Business Administrator, with the approval of the Superintendent, to release checks for payment during the month of December, as needed.

Motion approved to full Board.

5. Capital Reserve

Mr. Driscoll asked the Board to approve the transfer of \$56,420.00 from the Capital Reserve Fund to the General Fund to pay for the cost of the water heater at the Paxon Hollow Middle School.

Motion approved to full Board.

6. Budgetary Reserve

Mr. Driscoll asked the Board to approve a Budget Transfer in the amount of \$109,794.00 from Budgetary Reserve to pay for the temporary boiler at the Gauntlett Center.

Motion approved.

7. 2010-2011 Budget Update

Mr. Driscoll had a brief presentation discussing the Budget with review of the last four years along with the Act One Cycle, and Fund Equity. He discussed the Preliminary Review Budget is based off of July numbers, along with the cost of retirement and the Tax collection rate. He believes the tax collection rate is holding at 96.5%. Mr. Driscoll went on to discuss the major cost drives to the district. One being the retirement rate will be going from 4.7% to 8.4%. The cost to the district for that will be \$600,000.00 from that alone and the Medical (and only medical) will increase to 18%. This increase would represent and \$800,000.00 - \$900,000.00 increase. Mr. Driscoll stated our Debt Service is at 1.8 Million. These 3 factors alone will represent a 7% tax increase.

There was a brief discussion concerning the actual Pension Fund Rate and the State Budget.

Mr. Driscoll discussed the Referendum of Exceptions, how many there are, how many he believes we can and should apply for and he explained when and if the district would need court approval and/or a public vote. He reviewed seven exceptions approved by the state, but stated we are not eligible for all. The district is eligible for at least three exceptions.

Mr. Sokoria and Mr. Driscoll had a brief discussion on the Retirement and PSERS increases in the coming years.

Mr. Driscoll discussed the time line for the preliminary budget, as follows.

January 15, 2010 Intent to adopt the Budget
January 26, 2010 Budget Adoption
January 29, 2010 Submitting the Budget
February 2, 2010 Public notice to File
February 10, 2010 Submit request for exception

After a brief discussion, Mr. Driscoll explained he believes there needs to be additional discussions on the Budget.

Motion approved to full Board.

8. New or Additional Business

There was no new or additional business.

9. Adjournment

Meeting Adjourned.

