

**MARPLE NEWTOWN SCHOOL DISTRICT
BUDGET AND FINANCE COMMITTEE MEETING
TUESDAY, MARCH 9, 2010
BOARD ROOM MINUTES**

PRESENT: Committee: Mr. Fred Dewey, Mr. Richard Sokorai, Mr. John McDevitt
and Mr. David McGinley

Board: Mr. David McGinley, Mrs. Nancy Galbraith, Mr. Edward Partridge, Mrs. Dana
Kauffman, Mr. Joseph Rufo, Mrs. Kathryn Chandless

Administration: Dr. Merle Horowitz, Mr. Joseph Driscoll, Mr. Michael Dumin, Mr.
Lance Freeman

1. Call to Order

Meeting was called to order by Mr. Dewey at 6:48PM.

2. Approval of the February 9, 2010 Minutes

The agenda was accepted with no additions.

3. Bills for Payment

Mr. Dewey asked for a motion to approve the minutes of the February 9, 2010 meeting.
Motion was made by Mr. McGinley and seconded by Mr. Richard Sokorai.
With no further discussion, motion passed, 9-0

4. Bills for Payment:

Mr. Dewey asked for a motion to take the General Fund and Capital Fund bills for February
2010 to the full board for approval at the March regular Board meeting.
Motion was made by Mrs. Nancy Galbraith and seconded by Mr. Richard Sokorai.
With no further discussion, motion passed, 9-0

Mr. Joseph Driscoll reported that the Treasurer's Report was not completed due to the short
turn around time and weather. He stated that it would be included in the Friday packet, and
that he would e-mail it to anyone who would like to see it.

5. Plan Con J

Mr. Fred Dewey asked to move forward with a motion to approve Harold Gaughan to
complete Plan Con J requirements for the completed building projects, not to exceed a cost of
\$12,000.00.

Mr. Driscoll explained that this was brought up in the fall, and then put on the back burner
because of the Budget timeline. Final Plan Con J must be done, this must be closed. Final
reimbursements from the state will be issued on these projects, and if calculated in our favor,
there could be some money due us from the state. He asked that this get done as soon as
possible. It was not done up to this point because we had to wait for law suits to end before

we could close. Plan Con J is a final accounting of all costs for all 6 projects done on all buildings, and accounts for fifty million dollars' worth of cost. He said that we do have a role to play in that we have to do a lot of research, making the analysis, including CPA certification. In addition, we are required to have the architect hired at the time sign off on it. We will not be able to get that, so we will have our solicitor step in and sign off on our behalf. This is done totally different from what was done 10 to 20 years ago. We need assistance to complete this. He stated that the process was too complicated to be completed in-house. He contacted local colleagues and determined that this is the cheapest price that could be found.

Mr. Dewey repeated the motion.

Motion was made by Mr. David McGinley and seconded by Mrs. Nancy Galbraith.

With no further discussion, motion passed 9-0

6. Worrall Playground

Mr. Dewey asked to move forward with a motion to accept a donation in the amount of \$13,439.74 from Worrall Elementary School PTO to complete phase two of the playground renovation project.

Motion was made by Mr. Joseph Rufo and seconded by Mr. David McGinley.

With no further discussion, motion passed, 9-0

7. 2010-2011 DCIU Budget

Mr. Joseph Driscoll stated that all Board members should have received a summary format of the IU's actual operating budget. The cost to districts has been flat over the last several years; however, this year there is a slight increase, from \$68,000.00 to \$71,000.00. The state pulled back funding so this crossed over into this year's Budget, other than that this year's Budget remains the same.

Mr. Edward Partridge asked by when the Budget needs to be approved?

Mr. Driscoll responded that it should be approved no later than next month.

A discussion then took place regarding the formula for district contributions and responsibilities for the DCIU budget. Mr. Driscoll stated that a full explanation can be obtained from the IU. He also said the state figures the amount a district should pay based on its use of IU programs and the district's income from taxes.

Mr. Partridge asked if this change is reflected in our current budget?

Mr. Driscoll responded that the \$68,000.00 figure, not the \$71,000.00, is in the Budget. He will have to find a way to incorporate the extra \$3,000. He then stated that, to offset the additional amount, the Technical School budget is down by an estimated \$14,000, and that will be reflected in the final proposed Budget.

Mr. Dewey asked if approval of the Budget should be moved to the regular meeting?

Mr. Driscoll responded yes, that all school districts are required to act on this Budget.

The question was then asked if the general Budget is stable. The response was yes, and that this is the smallest amount paid to IU. It was also pointed out that any amount paid to the IU and not used would be credited back. This year the additional amount paid was due to cost of Special Ed.

7. 2010-2011 Budget Update:

Mr. Driscoll gave an update on where we are in the Budget process at this date. He said, "After the approval of the Preliminary Budget, it was submitted to the State the in the second week of February. Once submitted, the Act 1 website was open. We applied for all the Act 1 exceptions we are entitled to. We are now getting phone calls from the State to verify some of the data. The most complicated is the debt. We applied for \$2,492,166.00 in exceptions, including 1.8 million in debt, \$630,000.00 in retirement, and \$58,000.00 in Special Education exceptions which are calculated by the State. We are now waiting for State approval. Exceptions based on our current budget. There is a gap that has to be closed. We applied for all we can. We have a \$1.5 million shortfall that we are working to close in on."

Mr. Driscoll then stated that we would face the same next year, especially since retirement rates could have a possible increase from 8% to 10%, then to over 29% thereafter.

8. New or Additional Business

9. Adjournment

Mr. Fred Dewey adjourned the meeting as 7:02PM.