

COLONIAL SCHOOL DISTRICT
PLYMOUTH MEETING PA
Meeting Minutes
March 7, 2012

Finance and Audit Committee Chairperson, Kathleen Oxberry, called the meeting to order at 6:00 p.m. on Wednesday March 7, 2012 in the Superintendent's Conference Room located in the Colonial Elementary School at 230 Flouertown Road, Plymouth Meeting PA.

Finance Committee Members Present: Kathleen Oxberry, Mel Brodsky, Susan Moore

Other Board Members Present: Alan Tabachnick, Bernie Brady, Christina Frangiosa, Julie Knudsen, and Leslie Finegold

Others Present: Dr. Mary Ellen Gorodetzer, Superintendent, Robert Salanik Financial Consultant, and Richard Hartz Director of Human Resources

Public Present: None

Executive Session:

The board met in executive session to discuss four proposed real estate assessment settlements. The committee discussed these issues and provided direction to the district solicitor's office for settling these matters.

Regular Meeting:

Mrs. Oxberry asked for any public comments on the agenda, there were none. She then asked Mr. Salanik to proceed with the items on the agenda.

Budget 2012-13 Dr. Gorodetzer and Mr. Salanik provided information on the status of the school district budget for 2012-13. Meetings have occurred with all of the administrative staff and work is proceeding on the staffing recommendations for next year. The revised budget draft will include the general fund budget, the food service budget and the capital reserve budget.

Bond Advance Refunding The committee discussed the potential savings from refinancing the 2008 Bond Issue. Public Financial Management has advised that there is a potential to save a net of \$ 270,000 if this issue was refinanced at today's lower interest rates. The committee authorized proceeding with the solicitation of bids for the refinancing, with the requirement that the minimum net savings to the school district be \$ 250,000.

2011-2012 Financial Analysis The committee reviewed the current status of the 2011-2012 budget, including changes to the revenue and expenditure budgets. It appears as if the difference between revenue and expenditures has been reduced to \$2,071,000. A budget spending freeze has been put into place so that only expenditures necessary to finish the balance of the school year will be approved. The district administrative staff is currently

reviewing their budgets and reporting on their anticipated unspent balances. This report will be updated with this information for the next finance committee meeting.

School Board Financial Reports Mr. Salanik reviewed changes to the Bond Fund and Capital Reserve statements that condensed these reports and make them easier to read. The committee also reviewed an alternative check register that will reduce the number of pages in the board agenda.

Auditors The committee was informed that the State Auditors are currently performing a routine audit of the district financial and administrative records and will schedule a meeting with the finance committee at the conclusion of the audit to report on their findings. The local audit for 2010-11 will be presented for the committee review at the next finance meeting.

Act 25 Installment Payments This Act was adopted on June 30, 2011 and in addition to reducing the real estate tax exceptions from 10 to 4, it also provided small businesses (50 or less employees) with the opportunity to pay their real estate tax bill in installments. The dilemma for the local school districts is to determine which businesses qualify for this program. The consensus of the districts seems to be to offer the program to all tax payers. Currently only 3% of our tax payers take advantage of this program, primarily because they lose the 2% discount for paying within 60 days. We will monitor what the other districts decide, however, we will probably recommend extending the installment plan to all taxpayers.

Veteran Taxpayer Relief Request The committee reviewed the request of a disabled veteran who was granted a state exemption from real estate taxes effective January 1, 2011, to waive his taxes for 2010. He is currently working out a payment plan to pay his 2009 taxes. Upon a motion by Susan Moore and seconded by Julie Knudsen, the members in attendance voted unanimously to grant this request.

Senate Bill 1309 contains a provision to eliminate the school districts right to appeal an assessment based on the sale price of the property. This would have a significant impact on the district tax base and the fairness of property assessments. The committee will discuss this matter with their State Representatives.

Delinquent Tax Payer the committee reviewed information on a tax payer whose property is substantially delinquent and has not paid school taxes for a number of years. Mr. Salanik will discuss this matter with the Montgomery County Tax Claim Bureau in a scheduled meeting next week, and our solicitor's office is also reviewing this matter.

Mrs. Oxberry adjourned the meeting at 7:10 p.m.

Respectfully Submitted,
Robert Salanik
Financial Consultant