

COLONIAL SCHOOL DISTRICT
PLYMOUTH MEETING, PA
Meeting Minutes
March 7, 2016

The Finance and Audit Committee meeting was held on March 7, 2016 in the Superintendent's Conference Room located in the Colonial Elementary School at 230 Flourtown Road, Plymouth Meeting, PA. Trevor Jackson called the meeting to order at 5:19 PM.

Finance Committee Members Present: Mel Brodsky and Bernie Brady

Other Board Members Present: Sue Moore, Leslie Finegold and Cathy Peduzzi

Others Present: Dr. MaryEllen Gorodetzer and Trevor Jackson

Public Present: None

Regular Meeting:

Mr. Jackson asked for any public comments on the agenda; there were none.

Mr. Jackson informed the committee that he will provide an update regarding the 2016-17 budget at the Board Retreat scheduled for March 11. Mr. Jackson stated that he will present highlights of the areas impacting the budget and will not be digging into the specific figures at that time. A more in depth look at the budget will take place at the April 4th finance committee meeting as originally scheduled.

Mr. Jackson informed the committee that the Upper Merion Area School District has a tentative agreement with Upper Merion Township to take over the administration of the Consortium of the Arts, which formerly included Upper Merion, Colonial and Norristown Area School District(s). The consortium currently has a fund balance in the amount of \$74,989.23, and this amount would be used to support the continuation of the program. Dr. Gorodetzer stated that she would like the agreement to reflect that Colonial students could still participate in the program if they so choose. Mr. Jackson stated that the tentative agreement currently states that the consortium will accept all students that register from nearby school districts. The committee agreed with moving the program and fund balance from Upper Merion Area School District to Upper Merion Township.

Mr. Jackson presented a motion to the committee that will be placed on the March board agenda for approval regarding refunding the Series 2010 and Series 2011 bond issues with a minimum net targeted savings of \$320,000. Mr. Brady asked how many years the new bond issue (Series A of 2016) will cover because he had concerns about extending the district's debt out any further. Mr. Jackson will provide the committee with debt service schedule for the new bond issue.

Mr. Jackson informed the committee that the district's current bond rating has been reaffirmed at Aa1, which is a very strong bond rating. Mr. Jackson also stated that he thought the district warranted a positive outlook or even a AAA rating based on the current trend and growth of

the district's fund balance and tax base. Susan Moore asked what the benefit is from a higher bond rating and Mr. Jackson stated that it typically provides a better interest rate for future bond issues, possibly two to three basis points. Mr. Jackson agreed to provide an approximate value to that amount at a future meeting.

Mr. Jackson informed the committee of a new 403b program that the district would like to offer to its employees. The program is administered by Penserv Plan Services, Inc. and provides investments at a lower cost to those employees that elect to participate in the program. The committee agreed to add Penserv to its existing list of 403b providers.

Mr. Jackson provided drafts of Board Policies 602 – Budget Planning and 603 – Budget Preparation for a second reading. The committee did not have any questions or comments regarding the policies. Mr. Jackson informed the committee that the policies will be an enclosure in the board agenda for approval at the regular meeting schedule on March 17.

Mr. Jackson asked for any public comment and there was none.

As there was no further business to be conducted, the meeting was adjourned at 5:43 PM.

Respectfully Submitted,

Trevor S. Jackson
Business Administrator