

**COLONIAL SCHOOL DISTRICT  
PLYMOUTH MEETING, PA**

**Finance and Audit Committee Chairperson, Hope Luken, called to order a meeting of the Finance and Audit Committee at 6:30 P.M. on Tuesday, April 6, 2010 in the Superintendent's Conference Room located in the Colonial Elementary School at 230 Flourtown Road, Plymouth Meeting, PA.**

**Finance Committee Members Present:** Kathleen Oxberry, Mitch Zimmer

**Other Board Members Present:** Gary Johnson, Bernie Brady, Sue Moore, Beth Suchsland, Alan Tabachnick

**Also Present:** Dr. Vincent F. Cotter, Superintendent, Dr. Mary Ellen Gorodetzer, Assistant Superintendent, Joseph P. Bickleman, Chief Financial Officer/Treasurer, Tom Davis

Mrs. Luken began the meeting by asking for any public comments. There were none.

Mrs. Luken then called for an executive session to discuss legal matters related to real estate tax assessment appeals.

After the executive session, Mrs. Luken asked Mr. Bickleman to proceed with the remaining items on the agenda.

Mr. Bickleman proceeded to give an update on the status of the 2010-11 budget. He reported that the budget reductions applied to the 10-11 preliminary budget total \$1,500,000 resulting in a real estate tax increase of 4.6% a reduction of 2.43% from the preliminary budget. This reduced the annual increase for the average taxpayer in the district from \$178 to \$117. The preliminary budget still uses \$5,085,000 of fund balance. The estimated fund balance for June 30, 2010 is \$10,717,148 an increase from prior estimates due to a favorable tax appeal settlement and actual expenditures being less than projected for the month of March. Mr. Bickleman reported that Act 1 exceptions of \$2,564,461 were approved by PDE which would allow the district to raise real estate taxes 6.86%. The state mandated Act 1 index for the 10-11 budget is 2.9%. There was discussion by committee members regarding the use of exceptions to raise taxes to the approved PDE limit but the consensus of the committee was to limit the increase to approximately 4.5% because of the current economic conditions. The budget to budget expenditure increase is currently 2.73%. Mr. Bickleman noted that the 10-11 budget figures are constantly monitored and will be subject to change based on actual ERIP savings projections and real estate assessment data. Mr. Bickleman then provided those present with an update of the district's five year financial forecast which highlights the increasing annual budget deficits caused by flat or declining revenues and increased costs for operations.

Committee members proposed a televising the next finance committee meeting in order to inform the public of the current status of the 2010-11 budget and the projections for future years. It was decided to televise the next meeting to be held on May 4<sup>th</sup> at 7:00 P.M.

Mr. Bickleman then informed those present that Lori McCoy passed the School Nutrition Association's Credentialing Exam that she took in Washington D.C. in February and is now a certified as a School Nutrition Specialist, one of 1,000 individuals who have this designation in the country.

Mr. Bickleman reported that the estimated fund balance for June 30, 2010 is \$10.2 million.

The 2005 bond refinancing was discussed and Mr. Bickleman reported that projected savings figures were lower during the month of March and that Scott Shearer, from Public Financial Management, Inc., is monitoring the situation. He feels that the market will become more favorable during the coming weeks and that a parameters resolution will be prepared for board action either at the April or May board meetings.

Mr. Bickleman explained to the members the per-day meals reimbursement procedures for employees attending professional development meetings and conferences. The per-day limit is \$50 and all per meal expenditures are scrutinized during the payment approval process. Mr. Bickleman stated that district employees do not abuse the process and submit the proper documentation for reimbursement. Committee members noted that IRS regulations are used in private industry. These guidelines deal with the varying costs for meals throughout the country. Mr. Bickleman stated the \$50 per day is reasonable for employees attending conferences but would be interested in reviewing the IRS regulations.

Mr. Bickleman provided an update on Act 32 which requires the county-wide collection of earned income tax by January 1, 2012. He attended the Tax Collection Committee (TCC) Meeting that was held on March 24<sup>th</sup>. At this meeting, the TCC appointed a solicitor, Geoff Beauchamp, Esquire, adopted a \$94,000 budget, approved three current delegates for the tax appeals board, and authorized the management committee to solicit proposals for a third party tax collector. Mr. Bickleman noted that the district's contribution to the TCC budget would be \$2,810. He noted that this cost would be recouped through a reduced tax collection fee from the newly appointed collector. The district currently pays Berkheimer a 2% collection fee. The next TCC meeting is scheduled for June 2<sup>nd</sup> at 9:30 A.M. at the MCIU.

There being no further business to be brought before the committee, Mrs. Luken adjourned the meeting at approximately 7:10 P.M.

Respectfully submitted,

Joseph P. Bickleman  
Chief Financial Officer/Treasurer