

FINANCE AND LONG RANGE BUDGET PLANNING COMMITTEE
MINUTES – MEETING OF OCTOBER 20, 2008

In attendance:

Committee: Thomas Reinboth; Andrew Pollock; Joseph Simpson

Board: Michael Monaghan; Cynthia Mueller; Jane Schrader Lynch; Mark Miller; Thomas Hezel

Staff: Timothy Vail; Sandy Homel; Bob Reed; Terry White; Wayne Robinson

Public: Sara Sweeney (student)

Press: None

Call to Order:

Mr. Reinboth called the meeting to order at 6:30 p.m.

Approval of Minutes

Motion to approve the minutes of the September 15, 2008 meeting as revised by Dr. Pollock. Second by Mr. Simpson. Motion Carried 3-0.

WTHS Class Ring and Cap/Gown Awards

Mr. Terry White, Assistant Principal at WTHS and Sara Sweeney, 12th grade WTHS student were in attendance to address the class ring and cap/gown quote awards. Mr. White reported that the WTHS ring committee met with representatives of the Jostens Company and Balfour to review and hear their proposals. After review the Committee decided to recommend that the Jostens proposal be accepted. They found that the quality, price and warranty of the products were very similar. However, they felt that Jostens was more open to partnering with the students to develop a ring program. He also advised that the 12th grade class officers had reviewed the quotes from the two companies who offered them and were recommending Jostens for this award as well. The recommendation is that the class rings for the classes of 2012, 2013, and 2014 as well as the cap/gown purchase quote for 2009, 2010 and 2011 go to Jostens. Dr. Pollock indicated he would support these recommendations given the fact that students were involved in the process. Mr. Miller indicated he still has concerns over the parents making direct payment to Jostens. He indicated he would prefer we stay with the old system of bidding the items and running all payment through the District accounts. Parents have more protection this way. Dr. Pollock indicated he does not share in this concern. He indicated that Jostens is a reputable company and as such parents are protected. Motion by Dr. Pollock to move this item forward for Board approval as submitted. Second by Mr. Simpson. Motion Carried 3-0.

Transportation Collaboration Study

Mr. Robinson indicated that the District had received information from the Bucks County Intermediate Unit regarding a proposal for a collaborative study between school districts in both Montgomery and Bucks Counties for the transportation of non-public and out-of-district special needs students. The essence of the study is to determine the viability of multi-district transportation of students between the counties to program and schools outside of each district's boundaries to determine if there would be cost savings. Mr. Robinson and Mr. Vail reported that the District has actually been attempting to phase out the reliance on IU transportation for the last several years as it is extremely expensive and experience has shown that we can do it cheaper on our own when we have the opportunity to do so. The history of districts sharing the expense of such transportation has not resulted in savings, and in most cases has been more expensive than doing it on our own. We still contract with the IU for services when our own fleet cannot accommodate the run. Centennial's share of the cost of this study is listed as being \$2,039. These funds were not included in the 2008-09 budget. Mr. Reinboth indicated he shares the concerns over increased costs and that this study is a proactive attempt to deal with that issue. However, he pointed out that in many cases students have a longer ride when several districts are

involved. That is a non-financial impact that needs to be considered as well. Dr. Pollock agreed stating that anything we can do to shorten student transport time should be done, and this proposal does not appear to address that concern. Motion by Dr. Pollock to notify the Bucks County Intermediate Unit that we are respectfully declining to participate in this study. Second by Mr. Simpson. Motion Carried 3-0. No additional action is required by the Board on this item.

Award Web Site Design Contract

Mr. Vail reported that this item was discussed at the September 15, 2008 meeting. At that time the Committee voted to recommend that the Board approve award to SchoolWires of State College, PA with the design to begin in the Spring of 2009 and the new web site be up and running by July 1, 2009. Administration was directed to put this item on the October 14, 2008 Board agenda for approval unless additional proposals were received in the meantime as a result of our E rate posting. In the event additional proposals were received the matter was to be brought back to the October Finance Committee meeting for further discussion. Mr. Vail went on to report that we did indeed receive three additional proposals as a result of the E rate posting. A recap of these new proposals as well as the ones previously reviewed is attached to this evening's agenda. He indicated that it appears that one or two of these new proposals are significantly comprehensive enough to warrant bringing that vendor in for a presentation before a final decision is made on awarding this contract. Mrs. Mueller indicated that this item should be returned to the Operations Committee from whence it came to follow-up on bringing these vendors in for presentations. She indicated that the Operations Committee meets again on November 5, and these presentations could be scheduled for that time. Motion by Dr. Pollock to return this item to the Operations Committee for follow-up and analysis. Second by Mr. Simpson. Motion Carried 3-0.

Berkheimer Tax Collection Agreements

Mr. Vail reported that we have been approached by Berkheimer Tax Administrator to renew and amend our existing agreements for contracted collection of our Earned Income Tax, Mercantile/Business Privilege Tax and Local Services Tax. This offer would serve as an interim approach to the now mandated switch to a county-wide tax collection system for EIT which takes effect in 2012. Information on this legislation is included in this evening's agenda. The cornerstone of this offer is that it will reduce the commission rate presently assessed by Berkheimer from 1.9% to 1.75%. Based on last year's collections, this translates to almost a \$10,000 savings per year. Mr. Vail indicated that, upon receipt of this offer, he had consulted with Mr. Reinboth, and the documents were sent to District Solicitor Jeff Garton for review so that we would be in a position to move quickly on this in the event the Committee decides to move the item forward for Board approval. Mr. Garton's recommendations are attached to this evening's agenda as well and his comments and concerns have been addressed by Berkheimer. Administration recommends that this item be moved forward for Board review and approval as soon as possible. This proposal represents a money saving opportunity and puts us in a good position as we move forward into the mandated county-wide tax collection system in 2012.

Dr. Pollock indicated this looks like an excellent interim approach and expressed his support for moving it ahead for approval. A brief discussion occurred on the history of tax collection problems before Berkheimer was brought on as our collector. Those problems have been resolved for the most part and all agreed Berkheimer had done a good job since taking over the contract. Mr. Vail pointed out that Berkheimer has the added advantage of being the largest contracted tax collector in the southeastern part of the state and as such can be much more effective given their extensive data base which is so critical to the successful and efficient

collection of these types of taxes. Motion by Dr. Pollock to move this item forward for Board approval as submitted. Second by Mr. Simpson. Motion Carried 3-0.

Branding

Mrs. Homel reported that over the past years the Board has had several conversations about the need for the District to establish an identity, i.e. "Branding." She presented several examples of the various documents currently in use throughout the District (newsletter, Strategic Plan sign, business cards, etc) demonstrating that there is no consistent color or theme to any of them. After some discussion Mr. Miller recommended that no direction be given at this time as the new Public Relations Specialist about to be hired should be an integral part of this discussion and decision. The Committee agreed this was a good strategy and that they would wait to make a decision on this until the new PR Specialist is on board. There was also some discussion on the expenditure of funds for manufacturing the signage of the new mission statement approved as part of the current strategic plan. Mrs. Homel indicated that if funds are not appropriated toward this effort at a minimum the old signs should be removed. Committee indicated that spending several thousand dollars on signage at this time was not justifiable. Mr. Monaghan suggested that posters be printed at a much lower cost and hung where necessary.

Mail System Improvements

Mr. Vail reported that based on Board request he had contacted the Council Rock School District to determine how they are running their mail room operations. Interestingly enough, it turns out that Council Rock deals with an outside contractor, Mailroom Systems, Inc. in processing their mail. He indicated he had made contact with this company and will be meeting with them this coming week. Attached to this evening's agenda is some information on the company and some examples of how they may save us money on postage. Mr. Reinboth and Mr. Miller indicated they were familiar with this company as well. Time sensitive items may still need to be sent under the current system, but the service offered is efficient and is an excellent way of saving dollars on postage costs. Committee directed this be pursued if a viable option.

WTHS Group Stadium Donations-Ceremonial Check

Mr. Vail reported that based on discussion at the September 15, 2008 Finance Committee meeting, Administration was asked to get more information on the donations that backed up the ceremonial check presented to the Board in the Spring of 2007. Mr. Vail indicated that, upon researching the matter, it appears that the amount of the ceremonial check (\$12,700) was based on a series of pledged donations that the WTHS Administration was aware of at that time. There was never an itemized listing presented of what constituted that amount of money, but the list attached to this evening's agenda is as close to that amount as he could get. The list shows that most of the items pledged have been received. Only donations from NHS, the Debate Club, the Key Club and SADD remain outstanding. Total amount of all identified donations is in excess of \$9,450.00.

Street Road Crossing Guard

Mr. Vail reported that per discussion at the Operations Committee meeting on October 7, 2008 we contacted Warminster Township officials to arrange a meeting to discuss our existing configuration of crossing guard assignments and the possibility of adding or reassigning staff to cover the Street Road/Centennial Road cross walk for WTHS students. Due to scheduling conflicts we have been unable to schedule the meeting, but anticipate it will occur sometime next week. We are waiting for Township officials to get back to us with an acceptable date on their end. After some discussion it was directed that if, as a result of the yet to be scheduled meeting with Township officials, there is a Board action item required that it be included in the appropriate Friday packet. More information will be provided as it becomes available.

September Cafeteria Fund Operating Statement

Mr. Vail reported that per question raised at the October 14, 2008 Board meeting under approval of the September financial statements, Administration has completed an analysis attached to this evening's agenda of why the "profit" at the end of September, 2008 was \$39,774.93 higher than for the same period in 2007. He indicated that that the first page of the analysis denotes what the income would have been with a comparable 17 days of service in September, 2008 and the second page of the analysis accounts for the changes in income and expenses. A number of variables contributed to this change including but not limited to the increase in meal prices between the two years, the change in the way payroll is being processed for the "salaried" hourly employees, and the subsidy income levels. Administration is concerned that the comparable 17 day analysis shows a slight drop in income for 2008 despite the increase in prices. That denotes a decrease in sales levels that will require more analysis as the year progresses and we have more data to work with. Mr. Reinboth pointed out that the big difference in the numbers is the two extra days and pointed out that validity is better as greater length of time is available for comparison. Mr. Vail agreed that is definitely the case in this situation.

Sale of Delinquent Real Estate Tax Liens-2008

Mr. Vail reported that attached to this evening's agenda is a copy of a memo from the fall of 2007 providing the history on this issue. The Board took action at that time to bid the sale of our outstanding real estate tax liens on file with the Bucks County Tax Claim Bureau in November, 2007 with a subsequent sale of the 2007 tax liens filed in January, 2008 in February, 2008. This item was bid and the award was made to Plymouth Park Tax Services. The proceeds from the sale of these liens resulted in additional unbudgeted income of \$1,161,430 over and above the budgeted amount of \$605,000 for the year. This sale was successful not only in terms of the extra dollars it brought into our budget to pay for the stadium project, but also administratively. Plymouth Park officials were professional throughout the whole process and a delight to work with. The time has come to consider if we want to continue the practice of selling our tax liens each year. The next liens will be filed in January, 2009 and each year thereafter. Administration recommends continuing to sell the liens, and to that end has been in touch with Solicitor Jeff Garton for his opinion on whether we need to bid this again or if we can simply negotiate an agreement with Plymouth Park Tax Services. The officials from Plymouth Park are agreeable to a negotiated agreement and are presently drafting a letter for an additional three years. Mr. Vail indicated that if the Committee is agreeable to the concept we would recommend moving this item forward to the Board to either authorize soliciting bids or negotiating an agreement with Plymouth Park, depending upon the solicitor's opinion we receive. After some discussion the Committee members indicated they were agreeable to moving this item forward for Board approval based on the eventual opinion by the Solicitor on how to proceed legally. Motion by Dr. Pollock to move this item forward for Board consideration and approval based on the Solicitor's upcoming opinion on how to proceed legally. Second by Mr. Simpson. Motion Carried 3-0.

Adjournment

Meeting was adjourned at 8:10 p.m.

Respectfully submitted,

Timothy E. Vail

