

Draft Pending Committee Approval
Finance Committee Meeting Minutes

August 18, 2008

Room 200 - Tredyffrin Easttown Administration Offices

7:00 p.m.

Attending all or part of the meeting:

Board Committee Members: Chair, Betsy Fadem, Debbie Rollins, Debbie Bookstaber, Pat Wood

Other Board Members: Karen Cruickshank, Liane Davis, Pete Motel

T/E School District Representatives: Dan Waters, Art McDonnell, Jeff Curtis, Betsy Toscano, Toni Pulcini, Dave Preston

Community Members: None

Other: Tom Ricker of TEEA

Public Comment:

- None

Approval of Minutes:

- The Committee approved the minutes of the June 9, 2008 Finance Committee meeting.

Discussion and Update Items:

- Monthly Summary Report – May and July 2008

- Mr. Curtis presented the monthly financial statements for May and July, 2008. The monthly report for June will be presented as part of the 2008-2009 Audit Report.
- Mr. Curtis and the Committee discussed variances in revenue and expenditures from the prior year. Several variances, such as the variance between Transportation expenses in July 2008 and July 2007, were the result of the timing of large purchase orders. Committee members inquired about real estate transfer taxes, and Mr. Curtis expected to have more data regarding transfer taxes later in the year.

- Committee members and the administration discussed the community response to the new tax bill and the reduction in real estate taxes due to Act 1 gaming funds.

- Local Audit and Year End – 6/30/08

- Auditors from Maillie, Falconiero will be arriving in early September to begin working on the 2007-2008 audit. Mr. Curtis will update the Committee after the auditors have completed the audit.

- Steps to Conserve Fuel

- Committee members discussed several measures the District and other districts have considered in an effort to reduce fuel and electricity consumption and regulate the temperature within District buildings. Mrs. Fadem discussed an article explaining that several districts in the nation have begun to move to 4 day school weeks in an effort to contain costs.
- Mr. McDonnell presented an overview of projected fuel costs for the 2008-2009 fiscal year. Due to the significant increase in fuel costs, the District projects actual fuel expenses to exceed budgeted fuel expenditures, assuming fuel prices do not fall within the year.
- Mrs. Toscano outlined several initiatives the District was pursuing in an effort to reduce transportation fuel costs. Krapf Bus Company, as part of its agreement with the District, is using newer buses, which get significantly better gas mileage. Krapf is also using larger buses, which reduces the total number of buses in use. The District, with help from Krapf, is reviewing and revising existing bus runs for safety and efficiency. Krapf has an advantage, as the sole contractor, of identifying areas for improvement and implementing changes.

- Tax Appeals

- Mr. McDonnell and Committee members discussed the District exposure from several appeals filed by property owners. Currently, five commercial property owners have filed a tax appeal, with a total tax exposure to the District of approximately \$549,000.

- Copyright/Trademark

- Mrs. Fadem discussed with Committee members the concerns raised with respect to copyright or trademark issues. If an outside individual or entity uses a District logo, symbol or original work of authorship, the District may have a claim against the individual/entity.
- Board members asked the administration to research whether an individual/entity not affiliated with the District could seek trademark protection over words,

symbols or designs associated with T/E School District, such as the Conestoga Pioneer.

- Emergency Phone Notification

- Mrs. Toscano explained that the administration is recommending the District contract with Reliance Communications to provide emergency phone notification services via the SchoolMessenger program for the 2008-2009 school year. Committee members and the administration discussed the features of the SchoolMessenger program and possible methods to notify the community about the new notification system. The Committee agreed to move to the consent agenda of the full Board meeting on August 25, 2008 an agreement with Reliance Communications for the purchase of the SchoolMessenger emergency phone notification service for the 2008-2009 school year.

- Delaware Valley Healthcare Coalition (DVHCC)

- Mr. McDonnell explained to the Committee that the District is analyzing the advantages of joining the Delaware Valley Healthcare Coalition (DVHCC) if it could lead to potentially lower healthcare costs. An agreement has not yet been developed but preliminary estimates by IBC project a savings of approximately \$170,000 in the first year if retroactive to July 1st. Committee members discussed various issues with the coalition, and the administration agreed to provide more information at the September Finance Committee meeting, if it is available.

- Food Service Budget 2008-2009

- Mr. McDonnell, Mr. Preston and Committee members discussed the impact of rising food and fuel costs on the Food Services Budget. The administration has received the 2008-2009 grocery bids since the last Finance Committee meeting, and the bids were substantially higher than expected. Committee members and the administration discussed the current pricing of the “A” lunch and the a la carte items on the District menus.
- Committee members and the administration discussed the impact on the District and the community if the current “A” lunch price and/or a la carte items were increased for the 2008-2009 school year. Committee members expressed concern about notifying the community about potential increases in lunch prices. The administration and Committee members also discussed the possibility that grocery bids could decrease in the 2009-2010 fiscal year if fuel prices continued to decline. The Committee agreed to move to priority discussion at the full Board meeting on August 25, 2008 an increase in the class “A” lunch price by the following amounts: High School Lunch – 40 cents, Middle School Lunch – 30 cents, Elementary School Lunch – 20 cents.

Old Business: None

New Business: None

Adjournment:

- The meeting adjourned at 8:30 p.m.

Next Meeting:

- The next meeting will be on September 15th, 2008 in Room 200 at the Tredyffrin Easttown Administration Offices at 7:00 p.m.

Submitted by: Betsy Toscano