

# UPPER PERKIOMEN SCHOOL DISTRICT

Education Center  
2229 E. Buck Road  
Pennsburg, PA 18073

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## Finance Committee Meeting

November 20, 2023

**CHAIRPERSON:** Melanie Cunningham

**MEMBERS:**

Judy Maginnis  
Keith McCarrick

**ADMINISTRATION:**

Superintendent: Dr. Allyn J. Roche  
Business Administrator: Drew Bishop  
Assistant Business Administrator: Megan Moyer

## AGENDA

1. Approval of Minutes
  - a. August 21, 2023
2. New Business/Discussion/Presentation
  - a. High School Softball Field Fence installation
  - b. Act 1 Index for 24-25 and Timeline
    - 2024-2025 Base Act I Index is 5.3% and the Adjusted Act 1 Index is 6.6%
    - 2023-2024 Base Act I Index was 4.1% and the Adjusted Act 1 Index was 5.0%
  - c. Budget Presentation
    - Charter Schools
    - Debt Service
    - Scholarships
    - Building Budgets
  - d. Delinquent Real Estate Taxes
    - Final step prior to Sheriff's Sale
    - [Collection procedures of Portnoff Law Associates](#)
  - e. Repository Tax Sale
  - f. Board report changes
3. Old Business
  - a. Per Capita Taxes
  - b. Charter School Budget and Special Ed Rates
    - UPSD Special Education costs per student = \$18,124
      - Charter School Special Ed cost 23-24 = \$30,884.36
    - Charter School Budget 23-24 = \$2,915,473 (included Budgetary Reserve)

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### Mission Statement

The Finance Committee is an advisory committee who are devoting the extra time and effort to understand the finances of the district in order to assist and guide the Board on financial decisions which affect the short and long term financial health of the district.

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4. Informational
  - a. Local auditors completed fieldwork for the annual audit on November 8th
  - b. Budget meetings with Administrative Team all month
  - c. Business Office and Real Estate Tax Collectors met November 9th
5. Public Comments
6. Committee Member Comments
7. Adjournment

Next Meeting: TBD in January in the Education Center

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## August 21, 2023 MINUTES

Committee Members Present: Director Cunningham, Director Maginnis and Director McCarrick  
Others Present: Dr. Roche, Drew Bishop, Megan Moyer, Director Pennepacker, and a member of the public

Director Cunningham called the meeting to order at 6:00 pm.

1. Approval of Minutes
  - a. June 12, 2023
    - **The Committee approved the minutes from June 12, 2023**
2. Discussion
  - a. Paraprofessional rate increases
    - Drew reviewed the Board's approval of the increase in rates for the paraprofessional rates from August 10th. There were 18 vacancies and the District is competing for staff to fill those vacancies. Many of the paraprofessionals are required according to the student's IEP plans that require a paraprofessional to be with the student.
    - The Committee wanted to review how, after the budget has been passed, the Board can increase expenditures and stay within budget. Drew explained when a budget is developed, it is developed in the worst case scenario considering districts can not legally over expend their budget. When the salary budget is developed, it is built under the assumption that all staff currently hired will work the full year. In reality, there are leaves of absences that are filled with younger and less expensive staff. This causes the salary line item to end up spending under budget and giving some flexibility for mid year adjustments.
  - b. Pollution liability insurance policy
    - The Committee reviewed the expiring 3 year liability insurance policy for pollution. The Committee discussed the need for this policy and how there is a \$100,000 deductible on mold instances.
    - The Board would have the option of a policy from \$1 million to \$5 million and a 1, 2, or 3 year policy.
      - **The Committee approved letting the policy expire and asking the Facilities Committee to review more in depth the need for a policy with the option of adding it at a later date.**
  - c. Food Service agreement with Spring-Ford School District to serve our students at the Tech School ([Attachment](#))
    - The Committee reviewed the PDE standard agreement for multiple districts to partner on feeding students.

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- **The Committee approved the contract and recommended Board approval on August 24, 2023**

d. Per Capita Tax

- Drew reviewed the requirements for the per capita tax. The requirements are 18 years of age or older, have \$10,000 or more of earned and unearned income and a resident of the District.
- Initially, the District gave the Per Capita tax file to Berkheimer when they were hired. Since then, Berkheimer has supplemented this database with their earned income tax database for additions and removals.
- The tax bill directs everyone to Berkheimer's website to apply for an exoneration.
  - **The Committee directed Drew to update the website to include more information to help residents understand the tax and how to apply for an exemption**

e. 22-23 Preliminary Budget Review (unaudited)

- Drew reviewed the preliminary, unaudited figures from 22-23. The figures show revenue of \$66,777,021.42 and expenditures of \$75,490,773.65. This shows a deficit for the year of \$8.7 million. In April, \$5 million was transferred to the Capital Reserve fund essentially moving \$5 million from General Fund Balance to the Capital Reserve Fund Balance. That \$5 million was included in the expenditures of the district so if that was removed from the preliminary deficit, the actual deficit would be \$3.7 million. The budget was passed with a \$3 million deficit so the actual ending fund balance would be coming in right around budget.
- The Committee pointed out that the ending Fund Balance of the District as of the last audited financial statement is \$18.9 million as of June 30, 2022.

f. Tax bills - Hereford

- Approved Homestead and Farmstead properties in Hereford did not have the installment option printed on the original tax bill.
- The Districts bill printer sent out revised bills to those taxpayers that did not pay and did not have the installment option printed at no cost to the District.
- Jackie Watkins (elected Tax Collector for Hereford) has done a great job working with our taxpayers to explain the issues.

g. Delinquent real estate tax bill request for waiver of penalties and fees

- A new construction property was completed in 2020 and the new homeowner never received the bill or any notices until recently. They are seeking removal of all penalties and interest from Portnoff.
- The Committee discussed how waiving of penalties and interest is not a common occurrence. This unique situation is consistent with Act 57 of

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2022 that allows for waiver of penalties and interest if the taxpayer can prove they meet all requirements set forth in the law.

- **The Committee agreed to waive penalties and interest but not the 5% commission the County imposes**

h. Charter School rates 23-24

- The Finance Committee reviewed the Charter School rates the District is mandated to pay for any student that attends an outside cyber or brick and mortar charter school.
- The Committee requested the District's cost for special education students and the total budget for 23-24 Charter Schools. Drew will have this information available by the meeting on the 24th.

i. State Budget - Updated allocations and UPSD budget

- The Committee reviewed the state budget and how it relates to our budget

Meeting adjourned at 6:55 p.m.

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