

UPPER PERKIOMEN SCHOOL DISTRICT

**Education Center
2229 E. Buck Road
Pennsburg, PA 18073**

**Finance Committee Meeting
May 8, 2023**

CHAIRPERSON: Melanie Cunningham

MEMBERS:

Judy Maginnis
Keith McCarrick

Business Administrator: Daniel Direso
Asst. Business Administrator: Megan Moyer
Superintendent: Dr. Allyn Roche

AGENDA

1. Approval of Minutes
 - a. April 17, 2023
2. Presentation and Discussion
 - a. 2023-2024 Budget

Next Meeting: June 12, 2023

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.

**UPPER PERKIOMEN SCHOOL DISTRICT
FINANCE COMMITTEE
April 17, 2023**

The Finance Committee Meeting was held at the Upper Perkiomen Education Center with the following committee members attending: Melanie Cunningham (Chairperson), Keith McCarrick, and Judy Maginnis. Others in attendance were: Dr. Allyn Roche, Daniel Direso, Megan Moyer, Dana Hipszer, and Jonathan Alessi (MCIU).

6:00 P.M. Melanie Cunningham called the Finance Committee meeting to order and February 21, 2023 and March 20, 2023 Meeting Minutes were approved.

Discussion:

2023-2024 Budget

1.) Timeline Review

- a. Dan Direso presented a PowerPoint slide showing all dates associated with the Budget Timeline. A full overview of the Budget will be presented at the 4/27/2023 Board Workshop Meeting. This will provide the Board with a review before the proposed final budget.
- b. May 15, 2023 Finance Committee is on the timeline if needed, and will be determined at the Finance Committee meeting on May 8, 2023.

2.) Athletics

- a. Dan Direso discussed the historical upward trend in Athletics due to supplies, fees and Official costs increasing.
- b. The proposed budget amount for Athletics is exclusive of coach's salaries. The proposed budget is using current budget amounts.

3.) Business Office

- a. Dan discussed the Business Office budget and the different expenses. For example, Secretary Bonding, Tax Collectors, check stock, tax software, Skyward, Dues for PASBO and DVASBO.
- b. Melanie Cunningham asked where copier paper falls in the budget. Dan explained that copier supplies falls under the IT Department.

4.) Curriculum & Instruction

- a. Dan Direso explained that software used in the buildings is being pulled back from the building budget and included in the Curriculum & Instruction budget. Principals are happy it is no longer included in their budgets, but not too happy that they saw a decrease in their building budgets.
- b. Judy Maginnis had some questions about where some software and licenses lived in the budget. Dan explained that Schoology was with Curriculum and Google License is in the IT budget because it is system wide.

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5.) Debt

- a. Dan presented a Debt Summary showing the 2023-2024 amount owed of \$5,556,508.00 (\$3.7M in Principal and \$1.8M in Interest).
- b. The Summary shows that we will be paying for the Middle School construction until 2043 and we will not see cashflow relief until 2029.

6.) Revenue

- a. Dan suggested the Revenue collection rate used in the past was too low. Taking a 4-year average, the new budgeted Revenue collection rate is 97%
- b. Earned income tax increased which would enable an additional \$250,000 of local revenue.
- c. The Federal rate increases has helped our interest income. We can expect increased revenue of \$625,000 compared to current year.
- d. The Governor's budget proposal is not included in the Revenue side of the proposed budget. We are budgeting the current years revenue with a possible \$880K in additional revenue.

7.) Overall Draft Budget

- a. Dan Direso presented a draft budget showing a \$1.6M deficit which included a 4% millage increase (3.67% tax increase). Dan recommended a 5% millage increase with the lowest being 2.34%, which is the percentage needed to cover the Teacher's contract.
- b. Keith McCarrick asked what the millage increase would be to balance the budget. Dan responded with an 8% millage increase.
- c. Melanie and Judy are not ready to decide and will discuss further at the 5/8/2023 Finance Committee meeting for preparation of the 5/11/2023 Board Meeting.

Motion by Judy Maginnis seconded by Keith McCarrick. Melanie Cunningham adjourned the meeting at 6:54 pm.