

# UPPER PERKIOMEN SCHOOL DISTRICT

**VIRTUAL MEETING – 6:00PM**

**2229 E. Buck Road, Pennsburg, PA**

**Finance Committee Meeting**

March 15, 2021

Join Zoom Meeting

<https://zoom.us/j/93303230311>

**CHAIRPERSON:** Melanie Cunningham

**MEMBERS:**

Judy Maginnis

Keith McCarrick

Business Manager: Sandra Kassel

Assistant Business Manager: Dan Direso

Superintendent: Dr. Allyn Roche

## AGENDA

1. Approval of Meeting Minutes
  - a. February 16, 2021 (Attachment A pending)
  
2. Discussion
  - a. Tax Collection
  - b. T mobile hot spots
  - c. Health care benefits

### **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.

## Attachment A

### UPPER PERKIOMEN SCHOOL DISTRICT

#### FINANCE COMMITTEE February 16, 2021

The Finance Committee Meeting was held virtually with the following committee members attending: Melanie Cunningham (chairperson), Keith McCarrick, and Judy Maginnis. Others in attendance were: Sandy Kassel, Dan Direso and Dana Hipszer.

Motion by Keith McCarrick, seconded by Judy Maginnis, to approve the January 19, 2021 Finance Committee Meeting minutes. Motion carried.

#### **DISCUSSION –**

##### **a. Charter School Update**

Charter School Law originally passed in 1997 for the purpose of creating greater flexibility to support innovation in partnership with public education. There are two types of charter schools. Brick and Mortar and Cyber. Both are funded by tuition paid by the school district.

Currently tuition is based on each district's budgeted costs which varies by district. The state budget is considering charter school reform to standardize the tuition rate and basing special education costs by applying Act 16.

The charter school enrollments showing the charges from March through December were provided to show the drastic change in enrollment which has had a negative budget impact. Due to COVID, changes that may have occurred were not permitted to be added or subtracted from March 13<sup>th</sup> to the end of the year enrollment numbers. The increases were mostly in the cyber schools. The listing of the Charter Schools where Upper Perkiomen students attended were displayed and graphs were presented showing enrollments for the current year and previous five years.

##### **c. Revenue**

An overview of revenue was presented. We started with our local revenue. The effect of a 0% tax increase and 3.7% increase (Act 1 max) and their effect on total revenue was presented followed by a brief review of all local revenues. Millage calculations and the effect on median and average assessed values for each county was displayed.

State revenue followed with a brief explanation of each revenue code. After going through all state revenue codes the presentation came back to a further explanation of several revenue sources. The basic education funding included the governor's proposal for basic education, and an explanation of how the current and proposed funds from the state are and proposed to be distributed, and why we are not budgeting an increase at this time in basic subsidy. Special Education funding is also supported by an increase in the governor's budget. The increase is distributed based on an adjusted weighted special education student count which comes from the district's Act 16 report. A further description of rental subsidies was provided with the updated obligations and estimated % reimbursement and an estimated market value aid ratio.

Federal revenue is currently a work in progress. We will be receiving additional ESSER funds but we must remember these are one time revenues and should not be utilized for ongoing expenditures.

Five years of actual revenues for local, state and federal revenues was provided. Historical information is beneficial in projections moving forward.

**b. Tax Collection of Per Capita Tax**

Based on a meeting with six of the seven tax collectors at the end of January they expressed their collective view that they would prefer to not collect the Per Capita Tax. After the meeting I explored the possibility of having the district, or utilizing a third party, to relieve them of the obligation. A quote was secured from a third party vendor that would reduce the overall cost to the district. One collector decided they still wanted to collect and they can still be accommodated with making a change. The next step is to have the tax collectors deputize the district and after that reach out to the municipalities to notify them of the change. Once the tax collectors sign off, the Board would need to take action to accept the deputization. We are only pursuing this because it was the collective wish of the tax collectors.

Motion by Judy Maginnis, seconded by Keith McCarrick, to **adjourn the meeting at 7:00pm.** Motion carried; all voted aye.