

**BOARD FINANCE COMMITTEE MEETING MINUTES
MONDAY, MAY 10, 2010**

Members of the Board Finance Committee met on Monday, May 10, 2010, in the Dining Room of the Education Center, at 1516 Sycamore Street, Bethlehem, PA. Mr. Eugene McKeon, Chairperson, called the meeting to order at 9:17 p.m. The following school board members were present: Mr. Rosario S. Amato, Mr. William J. Burkhardt, Mrs. Michele Cann, Mrs. Judith A. Dexter, Mrs. Irene Follweiler, Mrs. Loretta Leeson, Mrs. Aurea E. Ortiz. Also in attendance were Dr. Thomas E. Persing, Interim Superintendent of Schools; Mr. Thomas Washington, Assistant Superintendent for Human Resources, Mrs. Stacy M. Gober, Assistant to the Superintendent for Finance and Administration; members of the press and other interested citizens.

COURTESY OF THE FLOOR

None

Agenda Items for May 17, 2010, Regular Board Meeting

A. Tentative Adoption of the Budget

Mrs. Gober stated that the budget has not changed from the amount that you received at the previous presentation. Mrs. Gober stated that she has not prepared the resolution pending tomorrow's Budget Hearing.

Mrs. Follweiler asked if it is required to have a tentative adoption of the budget by May 17, 2010? Mrs. Follweiler stated that she knew the final needed to be in by June.

Mrs. Gober responded that the tentative budget must be adopted thirty days prior to the final adoption. We will put it out as it is to meet the advertising requirement while we continue to work on the budget and make the amendments and adjustments that are warranted between now and the final June vote.

Mrs. Follweiler asked if it does not pass, would we have to schedule another meeting to vote?

Mrs. Gober responded yes, but she would rather not think about that right now.

B. Fountain Hill Tax Exoneration

Mrs. Gober stated that this is a request that came in from the Borough of Fountain Hill and placed here for your consideration and direction. Mrs. Gober stated that she was unsure about how the board wanted to approach this request. She explained that the Borough purchased this parcel of land that has an assessment of \$15,750 in August 2009. Mrs. Gober stated that the Borough requested that it be considered exempt because it is a vacant lot owned by the Borough and Lehigh County approved the

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exemption effective January 2011. Mrs. Gober stated that is our 2011-2012 tax year. The Borough is requesting that we exonerate the taxes beginning with the entire 2009-2010 school year. Mrs. Gober stated that these taxes would be exonerated two years prior to the County effective date. We looked to the best extent that we could and did not find a practice of this occurring previously.

Mrs. Leeson stated that she would prefer that we stay in sync with the County on this issue. Mrs. Leeson asked if our taxes would go with theirs, they would start the year 2011-2012? Is that correct?

Mrs. Gober responded that if we went with the County it would be our July 2011 bills.

Mr. McKeon asked if there was any rationalization as to why they were coming forward now. Mr. McKeon stated that we are talking about almost a year now that they have owned this property.

Mrs. Gober stated that they purchased this in August 2009 so it is assumed that by the time they processed the paperwork with the County it was passed the County's January 2010 date. Mrs. Gober stated that the County approved it as municipal owned for the following tax year. Mrs. Gober stated that their January 2010 bills were likely already issued at that time.

Mrs. Follweiler asked if the property is municipal owned why are they paying taxes?

Mrs. Gober replied that it is a taxable property on the County duplicate. When we get our tax duplicate for July 1, 2010 it will be on there as a taxable property. It was on the July 1, 2010 bills as a taxable property because at the time the July 2010 bills were issued, they were not the owners. Mrs. Gober added that the bill went to the former owner and at closing there was partial payment made so they are asking to be exonerated from August 2009 forward.

Mrs. Follweiler asked if it was typical for a municipality to pay tax on a property until the paperwork catches up.

Mrs. Gober replied that she has had requests such as this in the past where the County has not yet processed the paperwork, but the municipality came back and made the request. Mrs. Gober stated that in some cases boards will approve them and in other cases they'll say not until the County does their part. I have seen it go both ways.

Mr. McKeon stated that he agrees with Mrs. Leeson and that we should go with the County's decision. Mr. McKeon added that he understands the problem of when the tax bills were issued, but they are also asking for an additional year.

Mrs. Follweiler stated that she also agreed with Mrs. Leeson's recommendation to follow the County's effective date.

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Mrs. Gober stated that the Bethlehem Area School District has approved these in the same current fiscal year, but this one is a little unique.

Mrs. Dexter stated that if no one is going to vote yes, then we should not approve to have it on the agenda at all.

Mr. McKeon asked if anyone had thoughts on Mrs. Dexter's suggestion?

Mr. McKeon stated that we would withdraw it from the agenda as a general consensus.

Mrs. Gober stated that she would send them a letter saying that the board reviewed the issue and is not inclined to grant the exoneration at this time.

C. Summer Food Service Program

Mrs. Gober stated that this is something that has been ongoing for a number of years and because there are hires as well as an additional application to operate the program, it was brought for your authorization to make sure that all of the approvals align. Mrs. Gober stated that Mrs. Hayes is available to speak to with any questions you might have related to the program. Mrs. Gober added that all the costs are covered and it is a break even to the district. It is our investment in time to provide the meals for the students who qualify for free lunch throughout the summer.

Mrs. Leeson asked if this is coordinated with a summer program? How is this coordinated?

Mrs. Hayes responded that it is coordinated through the Aspire program and various organizations throughout the City. Mrs. Hayes stated that programs such as the Boys and Girls Club contact them for services. Mrs. Hayes added that we have about 26 different sites that are served.

Mrs. Leeson asked if the Boys and Girls Club is running a program during the summer, can they apply to the state for free and reduced lunch?

Mrs. Hayes stated that they would come to us and complete an agreement with us as the District.

Mr. McKeon asked if there was any objection to this going on the agenda for Monday evening?

Mrs. Gober clarified that in accordance with this approval there is a corresponding hire recommendation under the personnel agenda.

Mr. McKeon asked if the hires are still covered under the federal funding?

Mrs. Gober responded that is correct.

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OPEN FORUM

Mr. McKeon stated that he wish to ask some questions on the memo to Dr. Persing from Cindy Evans on the grant for RASA. Mr. McKeon asked what financial impact does this have and do we have to turn this back?

Dr. Persing responded no, not that I am aware of. If I learn different I will let you know.

Mrs. Follweiler asked Mrs. Gober if there was anything she needed from the board for tomorrow night's Budget Hearing.

Mrs. Gober responded no.

The meeting adjourned at 9:30 p.m.

Minutes prepared by: _____

Arlene Vargas
Confidential Secretary to Stacy M. Gober, Assistant to the Superintendent for Finance
and Administration