

**CENTENNIAL SCHOOL DISTRICT  
Warminster, Pennsylvania**

**MINUTES OF SPECIAL BOARD MEETING  
HELD JUNE 30, 2003**

**CALL TO ORDER**

A Special Meeting of the Centennial School Board was held on June 30, 2003, in the Administration Building. The meeting was called to order by Mrs. Jankowsky at 7:03 p.m. The following people registered their attendance:

Board Members:

Scott Avery  
Sina Baranski  
Joseph Faust  
Eugene Grossi  
Al Hertenberger  
Betty Huf  
Joan Jankowsky  
Jerry Locke  
Harve Strouse (\*participated by speakerphone)

Administration:

David Blatt  
Victor Lasher  
Dr. Thomas Sexton  
Timothy Vail

CEA/Teachers:

None

Public:

Donna Marie Saul  
Cynthia Mueller

**PLEDGE OF ALLEGIANCE**

Mrs. Jankowsky led the group in the Pledge of Allegiance.

**ADOPTION OF 2003-04 BUDGET**

*A motion was made by Mr. Faust and seconded by Mr. Avery to resolve that the Centennial School Board approves Harve Strouse participating in this Special Meeting by speakerphone.*

*The motion passed 8-0-1. (Mr. Strouse abstained.)*

Mr. Strouse expressed his gratitude to the Board for allowing him the opportunity to participate by speakerphone from Washington, D.C.

*A motion was made by Mr. Grossi and seconded by Mr. Faust to resolve that the Centennial School Board adopts the General Fund Budget for Fiscal Year 2003-04 in the amount of \$65,940,834 as presented per the attached supplement, and hereby authorizes the expenditures as set forth therein during the Fiscal Year 2003-04, and levying a tax of 281 mills per \$1,000 of assessed real estate valuation;*

*Further directs that Real Estate Tax Bills be dated and mailed July 15, 2003, and approves that the real estate tax for the 2003-04 Fiscal Year be payable with a discount of 2% on or before September 14, 2003, and shall bear a penalty of 10% if paid on or after November 15, 2003.*

*Be it further resolved that the Centennial School Board reenacts the following taxes and rates as set forth in Act 511 of 1965:*

*The Mercantile Tax for Fiscal Year 2003-2004 of (a) One mill on wholesale sales, and (b) 1½ mills on retail sales, and a license fee of \$5. This tax is shared with Warminster Township, the Borough of Ivyland and Upper Southampton Township.*

*The 1% Realty Transfer Tax for Fiscal Year 2003-2004. This tax is shared with Warminster Township, the Borough of Ivyland, and Upper Southampton Township.*

*The Occupation Privilege Tax for Fiscal Year 2003-2004 at the rate of \$10 per person employed within the boundaries of the Centennial School District. This tax is shared with Warminster Township, the Borough of Ivyland, and Upper Southampton Township.*

*The Business Privilege Tax for Fiscal Year 2003-2004 of 1½ mills on gross receipts and a license fee of \$5. This tax is shared with Warminster Township and the Borough of Ivyland.*

*The Earned Income Tax and Net Profits Tax for Fiscal Year 2003-2004 at the rate of 1%. This tax is shared with Warminster Township, the Borough of Ivyland and Upper Southampton Township.*

*Finally, be it resolved that the Administration is authorized and directed to advertise the adopted 2003-2004 Budget in accordance with the provisions of the School Code and to file a copy of the 2003-2004 Budget with the PA Department of Education.*

Mr. Faust stated that while the Board would be voting on this budget tonight, there would probably be the need for a July reopening if the House and Senate pass the State's budget.

Mrs. Jankowsky asked if the tax bills could be mailed before July 15<sup>th</sup>, which was the date indicated in the resolution. Mr. Vail stated that they could but the bills were dated July 15<sup>th</sup>. They wanted uniformity since there are three different tax collectors.

Mr. Hertenberger asked what Mr. Faust meant when he referred to reopening the budget. Mr. Faust explained that since there is no state education funding at this point, when the state budget

passes, the School Boards will be allowed a certain number of days to reopen their budgets and allocate the funds.

Mr. Hertenberger was uncomfortable keeping the fund balance at 8% since he felt sure we would be getting money from the state. He felt the fund balance should be at 5.7% and felt that the public needed a break from paying additional taxes this year.

Mr. Grossi stated that this was the first time in 28 years that the Finance Committee has ever recommended a budget to the Board where we are using \$1.7 million to cover operating expenses. We have also told Administration that they need to find \$235,000 within the budget. We have kept promises to the students and their parents. We still have a millage increase that is one-third of any of our neighbors. That is the best we could do. We are already deficit spending. We are counting on Administration tightening their belts as much as possible and also on some breaks coming our way. He felt that we are taking a gamble with this budget, but that we hope to make it up.

Mr. Faust agreed that everyone needs a break from taxes but when we take the fund balance to offset expenses, we are compounding a future tax increase. He felt that 12 mills is barely going to meet our needs and that next year's budget will be very difficult. If we would spend down the fund balance for operations, then next year there could be a tax increase of 20 to 30 mills.

Mrs. Huf stated that she did not feel we needed an 8% fund balance. She felt it could be used since she had seen it regrow itself in the past. She felt we could use the fund balance and have a zero millage increase. She indicated that she was disappointed with this increase and would not be supporting this budget.

Mr. Hertenberger indicated that he did not want to take anything away from the education of the children. HE felt it was time to bite the bullet and try some things. Mr. Grossi agreed. He felt that some programs need to be looked at and felt that we can recover from the deficit we are building with this budget. We will have to find new and different ways to get the services delivered and the equipment needed for education. This is a real deficit spending budget and we have work to do in the future.

Mrs. Baranski asked if we could go below 12 mills. Mr. Grossi responded that, in his opinion, we could not. Mrs. Baranski stated that she knew everyone had worked very hard on this budget but that she would rather wait until July 15<sup>th</sup> to see what happens. She did not feel it was fair to do this to the taxpayers again.

Mr. Grossi pointed out that we legally have to pass a budget by June 30<sup>th</sup> so we have to take our best guess. He felt this budget would make the Board face certain issues, such as block scheduling.

Mr. Hertenberger stated that he would like to compromise and go down to 8 mills.

Mr. Strouse felt the budget was fair as presented. Although the deficit spending places a burden on the future budget, he felt it was a reasonable burden. Hopefully, the state legislature will

address pension issues. He stated that the staff had worked very hard on the programs and on this budget. He felt it was fair for the kids and the taxpayers as presented.

*A roll call vote was taken, as follows:*

<i>Mrs. Baranski</i>	<i>Yes</i>
<i>Mr. Locke</i>	<i>Yes</i>
<i>Mr. Hertenberger</i>	<i>No</i>
<i>Mr. Avery</i>	<i>Yes</i>
<i>Mr. Grossi</i>	<i>Yes</i>
<i>Mr. Faust</i>	<i>Yes</i>
<i>Mrs. Huf</i>	<i>No</i>
<i>Mr. Strouse</i>	<i>Yes</i>
<i>Mrs. Jankowsky</i>	<i>Yes</i>

*The motion passed 6-3.*

Mr. Grossi thanked the Board members and stated that he didn't know of any other District where there is so much participation in the budget process.

## **ADJOURNMENT**

*A motion was made by Mr. Grossi and seconded by Mr. Faust to adjourn the meeting. The motion passed 9-0. The meeting was adjourned at 8:00 p.m.*

Respectfully submitted,

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Vickie A. Detwiler  
Board Secretary