

FINANCE AND LONG RANGE BUDGET
PLANNING COMMITTEE MINUTES – MEETING
OF FEBRUARY 23, 2015

IN ATTENDANCE: Committee Chair Steven Adams, members Michael Hartline, Mark B. Miller, Charles Kleinschmidt

BOARD MEMBERS:

STAFF: Dr. Joyce Mundy, Katie Braun, Raymond Kase, Judith Hengst

PUBLIC: Steve Fallen, Anna Linn, DVHT

CALL TO ORDER

Mr. Adams called the meeting to order at 7:00 p.m.

MINUTES

2.1 Approval of Minutes from January 20, 2015 (Action)

Mr. Miller made a motion to table the minutes until the next meeting in March, Mr. Hartline second. **Motion carried 3-0-0.**

PRESENTATION

3.1 Presentation from DVHIT regarding CSD Renewal Rates for 2015-2016 School Year (Action)

Mr. Steve Fallon gave a presentation on the projected rates for the 2015-2016 school year.

Ms. Braun explained that the final renewal rates represent a reduction from the “first look” by approximately 3% for medical, which lower the contribution rate to 6.09% and a slightly greater decline for dental, prescription, and vision rates. These results provide the District with a savings of approximately \$50,000 for the 2015-16 school year.

Mr. Miller made a motion to move to the full Board, Mr. Hartline seconded.

Motion carried 3-0-0.

FINANCE

4.1 Financial Highlights as of January 31, 2015 (Information)

Ms. Braun stated that in March she will be presenting the financial highlights in a different format. Ms. Braun explained that the revenues and expenditures for January were both running ahead of budget. Noting the following:

Revenues:

- Local revenues are 3.25% ahead of schedule.
- State revenues are up due to the District receiving PlanCon reimbursement in the amount of \$1.285 million and Ready to Learn grant in the amount of \$156,000.
- Federal revenues are catching up with the District receiving two payments for Title I, II, and III funds in the amount of \$144,542.32.
- Earned Income Tax (EIT) collection are down 7% due to the state of the economy.
- Delinquent Real Estate Tax collections are up 10%.
- Real Estate Transfer Taxes are up 1.27%.

Expenditures:

- Expenses are approximately 7% higher than last year. Administration has put a freeze on spending for all departments except expenditures for safety, planned projects and/or emergencies.
- Expenditures higher due to outplaced tuition bills, charter school bills, overtime, increased retirement costs, higher wage costs, textbook purchases, vehicle purchases, computer and other equipment purchase.

Mr. Hartline inquired about Title I, II, and III spending, PlanCon funds to be used for improvements, and the 7% overages in the budget.

Ms. Braun replied that she was currently working to go through the line items in the budget to realign what was budgeted with what is actually being spent in each account.

Mr. Hartline was concerned where the \$3 million spent over budget was spent.

The PlanCon monies received so far were for two bonds. The outstanding debt service money due would be \$2,047,123 which the District hopes to receive this school year.

Ms. Braun will provide information on Title I, II, and III to the committee.

4.2 Update of Chart of Account Changes from PDE Effective January 12, 2015 (Information)

Ms. Braun explained that the District was notified by PDE that there were account code changes to certain expenditure function and object codes. She had been in contact with the local auditors and they strongly recommended to be proactive in implementing these changes as they will affect the District's 2014-15 Annual Financial Report.

The changes will be implemented in three phases:

- Go through each salary accounts one by one to determine which new accounts need to be created.
- Create the new accounts along with inputting any journal entries and/or budget transfers that need to be completed.
- Massive upload of the new salary accounts to payroll module and subsequent review of upload.

Mr. Miller indicated that PASBO was fighting the change of the accounts in mid-year. Ms. Braun stated that the auditors suggested that the Department of Education will not change their implementation date.

Mr. Miller inquired if we have the ability to go back to the old account for comparison reasons. Ms. Braun stated that the old accounts will still be available for inquiry, but inactive for any transactions to be made.

4.3 Update on Internal Controls in Relation to 2013-2014 School Year Audit Findings (Information)

Ms. Braun stated that she wanted to keep the Board updated on the corrective action taken for findings from the 2013-14 audit along with other internal controls that have been implemented.

4.4 BCIU 2015-2016 Programs & Services and Instructional Material & Research Services Budget (Action)

Ms. Braun explained that the BCIU 2015-16 Programs & Services and Instructional Material & Research Services Budget must be presented to and acted upon by the School Board before Friday, April 3, 2015, according to School Code.

Mr. Hartline, Centennial's BCIU representative, stated that this was the sixth straight year with a decrease and this maybe the last year for a decrease.

Mr. Miller made a motion to move to the full Board with the blanks on the resolution to be filled in for the meeting, Mr. Hartline seconded.

Motion carried 3-0-0.

4.5 Contracts for External Providers for Psychiatric Services (Action)

Ms. Hengst explained that the District from time to time has the need to engage in the services of psychiatric and neuropsychological evaluations. Those listed are reputable doctors and groups that either Centennial SD or one of the other districts in Bucks County had used with satisfactory results. The costs of these evaluations can cost in the range of \$250 to \$320 per hour depending on the extent of the evaluation.

Mr. Hartline inquired whether there were any current contracts with any of the providers. Ms. Hengst replied that there were not. After a discussion on what the rates of each provider would be, Mr. Miller requested that a column be added with the provider's hourly rate before the Board would approve.

Mr. Miller made a motion to move to the full Board with a column with the rates per provider be added to the document, Mr. Hartline seconded.

Motion carried 3-0-0.

4.6 BCIU Pass-Thru Grant Money - Early Intervention (Action)

Ms. Hengst explained that the BCIU Pass-Thru Grant monies can be applied to offset the cost of K-5 services the BCIU provides to the district in the 2014-15 school year.

Mr. Miller made a motion to move to the full Board, Mr. Hartline seconded.

Motion carried 3-0-0.

4.7 Future Funding for Technology Infrastructure Purchases (Discussion)

A discussion took place on the creation of a 5-year capital plan for Technology.

Ms. Braun stated she had been in contact with other business administrators and other Districts have a three to five year plan for Technology infrastructure. Monies can be set up for future years to rollover from the general fund to capital reserve.

Mr. Miller inquired whether monies were put aside for this year. Mr. Kase responded that the monies were spent for laptop and desktops rollout in August before he was hired.

READ AT HOME

Information: 5.1 Swan Way Settlement Paperwork

Information: 5.2 Excel Spreadsheet of Bids for the Remainder of the 2014-2015 School Year

Information: 5.3 PSDLAF Report for 2014-2015 Cash Flow Optimization for January 2015

Information: 5.4 Article on Slot Machine Revenues

ADJOURNMENT

Mr. Miller made a motion to adjourn the meeting, Mr. Hartline seconded.

Motion carried 3-0-0.

Mr. Adams adjourned the meeting at 8:17 p.m.

Respectfully submitted,

Katie Braun
Assistant Business Manager

NEXT MEETING – APRIL 20, 2015 at 7:00 p.m.