

FINANCE AND LONG RANGE BUDGET PLANING COMMITTEE
MINUTES – MEETING OF NOVEMBER 19, 2012

IN ATTENDANCE: Committee Chair Michael Hartline, members Charles Kleinschmidt, alternate Steve Adams, (member Mr. Shafter was absent).

BOARD MEMBERS: Mark B. Miller

STAFF: Dr. Jennifer Cressman, Christopher M. Berdnik, William Gretton,

PUBLIC:

CALL TO ORDER

Mr. Hartline called the meeting to order at 7:00 p.m. and asked the members of the Board, Staff and public to introduce themselves.

MINUTES

Mr. Kleinschmidt made a motion to approve the minutes of October 15, 2012, Mr. Adams seconded. **Motion carried 3-0-0.**

PAYROLL/BENEFITS

a. 403b Record Keeping Change

Mr. Berdnik explained that in 2006 how 403b records keeping were treated changed to where the employee had more responsibility. Currently, Mass Mutual is the record keeper. In the District's annual review that was conducted, Mass Mutual was going to increase the participation fee for each participant. The District asked Henderson Brothers to seek other providers and the best prospect was the TIAA CREF Plan. Mr. Adams made a motion to move to the full Board, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.**

b. GASB 45 Study

Mr. Berdnik gave a brief overview of the Postemployment Benefits Plan from Conrad Siegel Actuaries. Mr. Hartline inquired if there would be another deposit made in 2012-13. Mr. Berdnik replied that that would depend on whether there were fifteen CEA employees planning to retire on June 30, 2013. The District would know after the deadline of December 31, 2012.

c. Flexible Spending Account Transition

Mr. Berdnik informed the Committee that the flexible spending provider HFS Benefits merged with TASC (Total Administrative Services Corporation). There are no changes to the program.

PURCHASING/CONTRACTS

a. TalentEd

Mr. Berdnik explained that the District currently uses PAREap to seek candidates for employment. The TalentEd Program Administration is recommending as a replacement comes highly recommended. TalentEd Recruit & Hire Professional would be more paperless and result in better record keeping. The initial cost would be \$4,250 to implement with a five percent increase annually after the first year. Mr. Kleinschmidt made a motion to move to the full Board, Mr. Adams seconded. **Motion carried 3-0-0.**

b. Sprint vs. Verizon

Mr. Berdnik explained that during Hurricane Sandy the Directors became aware of what a struggle in was communicating with the District's current provider. The Administration inquired if changing vendors would affect our E-rate before bringing the topic to the Committee. Based upon contract pricing the actual difference in switching would be an increase of \$2 per month. The District could have the new phones by the end of the year.

Mr. Adams inquired if the Board could be provided with phones in the future. Mr. Berdnik stated that Administration would inquire about E-rate eligibility and would have to budget in the next budget cycle if possible. Administration would also have to check the language in policy as to how the phones would be governed.

Mr. Kleinschmidt made a motion to switch providers of cell phones to the full Board, Mr. Adams seconded. **Motion carried 3-0-0.**

REALITY BASED BUDGETING

a. Centennial Shares

i. 2013 PASBO Conference

Mr. Berdnik wanted the Committee to be aware that Centennial School District was asked to be a presenter at the Annual Conference in March of 2013. Mr. Berdnik will be presenting on "Building a Culture of Cost Reduction That Is Not Demoralizing."

b. Preliminary MBIT Budget

Mr. Berdnik shared with the Committee the Preliminary Budget from MBIT. The budget represents a two percent increase for Centennial School District of \$1.8 million dollars. Much of increase reflects the increase in PSERS cost. The final budget for approval would be presented in March 2013.

c. Act 1 index PSBA concerns

Mr. Berdnik stated that Mr. Miller asked for this item to be on the agenda as Act 1 governs how much the District permitted to raise taxes. The decision to become

involved in such a litigation as one of the named plaintiff school districts (at no cost to the District), does not mean that any plaintiff school district necessarily desires or intends to raise taxes at all. The principle at stake is that school boards in their budget considerations should have the full intended range of options available in determining what educational programs can be supported with available funds, and that they should not be forced to deprive students necessarily of needed programs and services as a result of constraints on the revenue options intended to be available under Act 1 created by PDE's arbitrary and unlawful change in interpretation.

After a short discussion, Administration recommended that the District consult with a solicitor as to whether the District should be named as a plaintiff school district.

d. Review of reports and projection – information only

Mr. Berdnik stated that due to Hurricane Sandy the attached did not represent completely the prior month's report; reports will be distributed at the full Board meeting.

ALTERNATIVE REVENUES

a. Menchie's November Program

Mr. Berdnik stated that during the month of November, the District schools were invited to participate in the Menchie's Centennial Challenge. Participants would take a flyer or mention their school when making a purchase, in return 20 percent of every fro-yo purchase goes to the school. The winning school receives kick balls donated to their gym and a day at Menchie's with 50% off all fro-yo.

b. Modell's November Program

Mr. Berdnik stated that starting November 23 through December 21, 2012, Modell's is having the winter team week with a coupon for 15% off of regular and sale priced merchandise. In addition to the winning school district, the District would receive a year supply of Court Grip.

c. Pel Industries Renewal

Mr. Berdnik stated that the renewal for Pel Industries to use the logos and trademarks on merchandise for resale with ten percent of wholesale sales to the District. Mr. Kleinschmidt made a motion to move to the full Board, Mr. Adams seconded. **Motion carried 3-0-0.**

d. Advertising – Draft Request of Information

Mr. Berdnik stated that following the discussion at the last Committee meeting, a draft Request of Information for Advertising within the School District was attached. Administration asked if there are any additions or changes the Committee would like added or deleted. Mr. Kleinschmidt made a motion for Administration to move forward the posting of the Advertising Request of Information to the website, Mr. Adams seconded. **Motion carried 3-0-0.**

NEXT MEETING

Mr. Hartline reminded everyone that the next Committee meeting will be on Monday, December 17, 2012, 7:00 p.m. in the Board Room.

Mr. Kleinschmidt made a motion to adjourn the meeting. Mr. Adams seconded. **Motion carried 3-0-0.**

The meeting was adjourned at 7:40 p.m.

Respectfully submitted,

Christopher M. Berdnik
CFO