

**FINANCE LONG RANGE BUDGET AND PLANNING COMMITTEE
MINUTES
OCTOBER 21, 2013**

IN ATTENDANCE: Committee Chair Michael Hartline, members Charles Kleinschmidt, Alternate Steve Adams, David Shafter was absent

BOARD MEMBERS: None

STAFF: Dr. Joyce Mundy, Christopher M. Berdnik, Dennis Best, Wayne Robinson

PUBLIC: Mr. Shaffer, Joe Cowhey

CALL TO ORDER

Mr. Hartline called the Finance Committee meeting to order at 7:00 p.m. by asking the members of the Board, staff, and public to introduce themselves.

MINUTES

Mr. Kleinschmidt made a motion to approve the minutes of September 16, 2013, Mr. Adams seconded. **Motion carried 3-0-0.**

Mr. Hartline requested that item 5. a. be moved up in the agenda.

ALTERNATIVE REVENUES

a. Shop Rite

Mr. Berdnik gave an overview of the Program and asked Mr. Best to introduce Mr. Cowhey, Shop Rite representative, who explained how the partnership would work with the Centennial Community and the District.

Mr. Adams made a motion to move to the full Board, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.**

PURCHASING/CONTRACTS

a. BCIU rental of space at Davis

Mr. Berdnik explained the contract was an annual contract with BCIU to rent equivalent of 5 classrooms at Davis Elementary School.

Mr. Adams made a motion to move to the full Board, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.**

b. Clayton Services/Crompco LLC for engineering services

Mr. Berdnik explained that to ensure the District's compliance with all PA Department of Environmental Protection regulations, the District was requesting the use of a consulting service in the preparation of the bids that would be needed to be prepared, advertised, and to provide oversight services during the actual removal process of the underground storage tanks at Klinger, Log College, and the Administration building.

The information provided by Mr. Robinson stated that while these storage tanks are not subject to the constant monitoring required for the gasoline and diesel UST's, there are still environmental regulations in place regarding the removal of such tanks.

Mr. Adams made a motion to move to the full Board, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.**

c. Clarity agreement for special education services

Mr. Berdnik explained the attached contract was drawn up to comply with the Release and Settlement Agreement for student 20-13. Approval of this contract will fund the independent functional behavioral assessment (FBA) as mentioned in the Release and Settlement Agreement. Total amount of services not to exceed \$3,500.00.

Mr. Adams made a motion to move to the full Board, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.**

REALITY BASED BUDGETING

a. Review of updated projection and analytical reports

Mr. Berdnik reviewed the financial statement highlights with charts for the funds of the District as of September 30, 2013.

In Mr. Berdnik's memo to the Committee, he stated that revenues are running very close to budget while expenditures are slightly behind budget. Real estate revenues are strong while earned income taxes are lagging the year to date budget. State revenues are generally on track, but we still have construction projects, which have not reached final approvals for reimbursement.

The Board has adopted multiyear strategies to smooth some of the forthcoming spikes in expenditures, such as the deposit of funds equal to the district's early retirement incentive obligations from the summer of 2012. There is, for instance, one self-assessed tax case in bankruptcy court that could yield an unbudgeted \$100,000. Any good fortune in 2013-14 should be transferred to the capital reserve or debt service fund.

Mr. Berdnik stated that the end of the year forecast reflects an increase to 22% for PSERS from 16% in the 2013-2014 school year. The forecast does not assume a tax increase. Act 1 index for 2014-2015 is 2.1, which is one of the read at home

handouts.

Mr. Hartline inquired as to what Capital Projects were scheduled for 2014-2015. Mr. Berdnik replied that the projects included the Klinger roof, air handler at Log College, and vestibules in the middle schools.

READ AT HOME

- a. 2014/15 budgeting for results
- b. Act 1 index – 2.1
- c. Centennial shares
- d. Pharmacy plan year summary
- e. PSBA market movement
- f. PSERS illustration

NEXT MEETING

Mr. Kleinschmidt made a motion to adjourn the meeting, Mr. Adams seconded. **Motion carried 3-0-0.** The meeting was adjourned at 7:26 p.m.

Respectfully submitted,

Christopher M. Berdnik
CFO

The next meeting will be held Monday, November 18, 2013 at 7:00 p.m.

