

**FINANCE AND LONG RANGE BUDGET**  
**PLANNING COMMITTEE MINUTES – MEETING**  
**OF APRIL 20, 2015**

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

BOARD MEMBERS: Jane Schrader Lynch

STAFF: Dr. Joyce Mundy, Katie Braun, Dr. Jennifer Polinchock, Judith Hengst, Shannon Stone

PUBLIC:

CALL TO ORDER

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

MINUTES

**2.1 Approval of Minutes from March 23, 2015 (Action)**

Mr. Miller made a motion to approve the minutes from March 23, 2015, Mr. Hartline second.  
**Motion carried 3-0-0.**

PRESENTATION

**3.1 2015-16 Food Services Budget (Information)**

Ms. Stone, Director of Food and Nutrition, gave an overview on the 2015-16 food services budget. Foodservice has been working together with Administration on “Bad Debt”. To increase revenues for next year, the foodservice department will be researching the feasibility in providing lunches to local Catholic schools.

**3.2 2015-16 Proposed Final Budget Presentation (Action)**

Ms. Braun reviewed the proposed final budget for 2015-16 timeline for final adoption on June 9, 2015.

The following are the components of the 2015-16 tax increase:

Act 1 Index	1.90%
PSERS (increase from 21.4% to 25.84%)	1.45%
Special Education	.35%
Total Tax Increase	3.70%
Act 1 Index and Exceptions	3.70%

Millage Rate Information:

2014-15 Millage Rate	122.17
2015-16 Millage Rate	126.76
Millage Rate Increase	4.59
Millage Rate % Increase	3.7%
Revenue Generated from Millage Increase	\$2,507,287.00
Tax Increase on Average Homeowner Assessment of \$26,400	\$ 121.00

Ms. Braun reviewed the options to reduce the tax increase. She highlighted items being considered from the state Governor's budget:

- Proposed increase in Basic & Special Education Funding.
- Proposed reductions in school property taxes.
- Proposed increase in personal income tax from 3.07% to 3.70%.
- Proposed increase to state sales tax from 6.0% to 6.6%.
- Proposed severance tax on the natural gas industry.
- Proposed Unassigned Fund Balance at 4% of total expenditures.

The following items may have an impact on the final budget being passed on June 9, 2015:

- Outcomes to assessment appeals.
- Continued review of earned income, transfer and delinquent taxes.
- Continued review of Business Office estimates.
- Continued review of enrollment projections.
- Impact of Retirements.
- Passage of State Budget.
- Continue to monitor real estate tax revenue.
- Monitor expenses for savings to be incurred at end of the 2014-15 school year to be allocated to fund balance.
- Allocation of fund balance in 2015-16: PSERS, Cadillac Tax, Technology Infrastructure, Capital Projects, etc.

Mr. Miller stated that Ms. Braun did a good job balancing the budget with working with a lot of unknowns.

Mr. Hartline stated that he was not confident that the state budget will be passed on time.

Mr. Adams complimented Ms. Braun on the job she did with presenting the budget and her continued desire to learn more utilizing all of the resources available.

Mr. Miller made a motion to bring the Proposed Final Budget for 2015-16 using the option to increase taxes by 3.7 percent, Mr. Hartline seconded. **Motion carried 3-0-0.**

## FINANCE

### **4.1 Financial Highlights as of March 31, 2015 (Information)**

Ms. Braun reviewed the financial highlights as of March 31, 2015, noting the following:

- Local revenues were up by approximately 1% as compared to March 2014.
- State revenues were up by approximately 26% as compared to March 2014 with the District receiving: a Social Security Subsidy payment in the amount of \$230,969.32, a Retirement Subsidy of \$1,576,320.64, a Special Education Subsidy of \$434,629.00 and a Transportation Subsidy of \$87,061.00.
- Federal revenues were down approximately 8% as compared to March 2014 with the District receiving a Title I, II and III payment in the amount of \$72,271.16.
- Earned Income Tax collections were down approximately 1% as compared to March 2014 due to the state of the economy.
- Delinquent Real Estate Tax collections were down 6% as compared to March 2014.
- Real Estate Transfer Taxes were up approximately 1% as compared to March 2014.
- Expenses are approximately 6% higher than March 2014, Administration put a freeze on spending for all departments. The only expenditures being approved are those needed for safety, planned projects and/or emergencies.

### **4.2 Elementary Reading and Language Arts Proposal (Action)**

Dr. Polinchock reviewed the Elementary Reading and Language Arts Proposal which Administration recommended for Board approval.

The adoption of Houghton Mifflin Harcourt *Journeys* as the core curricular materials for the reading and language arts program kindergarten through grade 5. The cost of the student and teacher materials would be \$315,223.60. The publisher would provide \$799,678.90 of gratis student and teacher materials as well as online materials for six years.

The adoption of Project Lead the Way Principles of Engineering curriculum materials and core classroom and lab materials for grades 9 through 12. The cost of the student and teacher materials would be \$47,535.00. In addition to the curriculum materials, teacher training would be required for the program. The cost of the training would not exceed \$3,700.00 which would be funded through Title II.

Dr. Polinchock stated that \$210,000 would be spent in the 2014-15 school year funded through the Read to Learn Grant.

Mr. Miller made a motion to move the full Board, Mr. Hartline second. **Motion carried 3-0-0.**

### **4.3 SchoolMessenger Proposal (Action)**

Dr. Mundy reviewed the proposal from SchoolMessenger replacing Nixle as the District provider for notification service as of July 1, 2015. With Board approval, SchoolMessenger would allow the District to setup and use the system free of charge between now and then allowing us to properly configure the system for the opening of school.

Mr. Miller inquired whether the operation of anonymous tip reporting was included. Dr. Mundy replied that she would have Mr. Kase bring that information to Operations.

Mr. Miller made a motion to move to the full Board, Mr. Hartline second. **Motion carried 3-0-0.**

#### **4.4 BCIU Internet Contract Amendment (Action)**

Mr. Hartline reviewed that the Intermediate Unit had renegotiated the District rates for Internet Services. Negotiating an extremely low rate of \$127 per year which would allow the District to triple the bandwidth, continuing to use the online services without the restriction of an overcrowded internet connection for some time to come.

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

#### **4.5 SDIC Premium Rates for 2015-16 School Year (Action)**

Ms. Braun stated that the SDIC Board of Directors was recommending a small increase in the premium rates for 2015-16. After reviewing the District's estimated payroll and the amount of claims the District incurred in 2014-15, SDIC increased our experience mod from .883 to 1.118, which increased our contribution rate from .60 to .72. This increase was factored into the 2015-16 school year budget.

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

#### **4.6 New Bronze Plan - Affordable Healthcare Act (Action)**

Ms. Braun stated that the Affordable Healthcare Act of 2010, required the District to offer health care coverage (at the minimal level) to any employee who is not currently eligible for health care but who averages 30+ hours per week.

Delaware Valley Health Trust provided the District with what is known as a "Bronze Plan" or the minimal level by law to offer to those employees who meet the requirements.

Ms. Braun stated that there were below 20 employees affected and 10% of their salary would go toward the plan.

Mr. Miller made a motion to move the full Board, Mr. Hartline second. **Motion carried 3-0-0.**

#### **4.7 Hart School - 4th Amendment Extension (Action)**

Ms. Braun reviewed the 4<sup>th</sup> Amendment Extension for Envision Land Use, LLC for Hart School. The extension amended the 3<sup>rd</sup> Amendment which expires on April 25, 2015, extended the period to July 31, 2015.

Mrs. Lynch stated Warminster Township were planning to approve the rezoning in May with settlement of the property occurring by July 31, 2015.

Mr. Miller made a motion to move to the full Board, Mr. Hartline second. **Motion carried 3-0-0.**

#### **4.8 ArbiterGame Athletic Scheduling Program (Action)**

Ms. Braun stated that in an effort to remain efficient and effective, Administration was recommending the District subscribe to ArbiterGame to manage the District's athletic programs at a cost not to exceed \$1,200.00 per year for all secondary schools (\$400 per school).

Mr. Hartline made a motion to move to the full Board, Mr. Miller second. **Motion carried 3-0-0.**

#### **4.9 SchoolDude FS Direct - Arbiter Connection Hookup (Action)**

Ms. Braun explained that FS Direct integrates seamlessly with ArbiterSports' scheduling system, ArbiterGame in managing school athletic programs. The cost to the District would be \$442.25 from April to June 30, 2015 with an annual cost of \$2,400.00 per year.

Mr. Miller made a motion to move to the full Board, Mr. Hartline second. **Motion carried 3-0-0.**

#### **4.10 New Timing System for WTHS Natatorium (Information)**

Ms. Braun stated that in order to update our timing system the District needed to purchase from the company that originally sold the District the system. If the District were to get competitive quotes for the work, the District would need to request bids to replace the entire system not just the timing portion. She spoke with Dr. Best and reviewing his 2014-15 budget lines, the District has enough money to fund this project. The cost to replace the system would be \$9,100.00.

Mr. Miller made a motion to move to the full Board, Mr. Hartline second. **Motion carried 3-0-0.**

#### **4.11 2015 Commencement Rental Equipment (Action)**

Ms. Braun stated that Administration recommended that the quote from Light Action be awarded for the 2015 Commencement Rental Equipment at a cost of \$12,046.00.

Mr. Hartline and Mr. Miller suggested that for future years the District research purchasing their own equipment instead of renting the equipment.

Mr. Miller made a motion to move to the full Board, Mr. Hartline second. **Motion carried 3-0-0.**

#### **4.12 2015 Graduation Broadcast and Video Services (Action)**

Ms. Braun stated that Administration recommended that the quote from Applied Video Technology be awarded for the 2015 Commencement Broadcast and Video Services at a cost of \$5,303.00.

Mr. Miller made a motion to move to the full Board, Mr. Hartline second. **Motion carried 3-0-0.**

ADJOURNMENT

Mr. Miller made a motion to adjourn, Mr. Hartline second. **Motion carried 3-0-0.**

Mr. Adams adjourned the meeting at 8:04 p.m.

Respectfully submitted,

Katie Braun  
Assistant Business Manager

**NEXT MEETING – MAY 18, 2015 at 7:00 p.m.**

READ AT HOME

**6.1 2015-16 PDE Exception Letter (Information)**

**6.2 PSDLAF Report - March (Information)**

**6.3 Monthly Report - Title I (Information)**

**6.4 Monthly Report - Title II (Information)**

**6.5 Monthly Report - Title III (Information)**

**6.6 Monthly Report - IDEA (Information)**