

FINANCE AND LONG RANGE BUDGET PLANNING COMMITTEE

MINUTES – MEETING OF MAY 21, 2012

IN ATTENDANCE: Committee Chair Michael Hartline, members Charles Kleinschmidt and David Shafter, alternate Steve Adams

BOARD MEMBERS: Andrew Pollock, Betty Huf, Mark B. Miller, Jane Shrader Lynch

STAFF: Dr. Jennifer Cressman, Christopher M. Berdnik. William Gretton III, Robert Reed, Wayne Robinson, Linda Fanelli

PUBLIC: Nicole Williams, Jim Metzger, Mike Herman, Jenn Herman, Michelle Mahoney, Robert Kline, Diane Barbour, Alyssa Benner, Dawn Van Atta, Michelle McAllister, Jeanette Wisner, Wendy Thompson, Dawn Kelly, Veronica Connelly, Diane Spellman, Tracy Costello, David Cohen, Megan Holt, Robert D. Shaffer

CALL TO ORDER

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

MINUTES

Mr. Kleinschmidt made a motion to approve the minutes of April 16, 2012, Mr. Shafter seconded. **Motion carried 3-0-0.**

TRANSPORTATION

Regarding elementary start and end times, Dr. Cressman stated that the District had consulted an outside firm with possible solutions to the transportation elementary start and end times. Dr. Cressman asked Mr. Robinson to explain the results:

Option 1 would offer staggered start time: McDonald Elementary: 8:30 a.m. – 3:15 p.m.; Davis and Willow Dale Elementary: 9:00 a.m. – 3:45 p.m. Mr. Robinson explained that this was the option recommended to the School Board.

Option 2 would offer simultaneous start times (1) All Schools: 9:00 a.m. – 3:45 p.m. This option would require an additional 9 vehicles to accomplish. Option 2 would cost an additional estimated \$288,000-352,000 per year in operating expenses, plus an estimated initial cost of \$738,000 – 902,000 for new vehicle; \$540,000 -\$737,000 for used vehicles. Contracting routes with a private contractor would cost an estimated \$395,280 - \$553,575 annually.

Option 3 would offer simultaneous start times (2) All Schools: 8:30 a.m. – 3:15 p.m. This option would require the District to have a total of 57 vehicles to transport all of our elementary schools on the same bell time. This will require an additional 21 vehicles to accomplish. Option would cost an additional estimated \$672,000 - \$736,000 per year in operating expenses, plus an estimated initial cost of \$1,722,000 - \$1,884,000 for vehicles; \$1,260,000 - \$1,541,000 for used vehicles. Contracting routes with a private contractor would cost an estimated \$922,320 - \$1,157,475 annually. Not included in this estimate is a possibly of two vehicles just for the pm shift for the St. Robert's dismissal, because this schedule would conflict with the existing bell schedules at Nativity and OLGC.

Dr. Cressman stated that the parents' concerns with the later end time were:

1. Losing time with children
2. Attending other activities
3. Arriving home after dark
4. Pickup and drop off at different schools
5. Traffic in the morning
6. Consolidation of schools

Mr. Adams asked why busses were auctioned. Mr. Robinson replied that busses were replaced with new every year, used to be traded-in. Busses are on a 13-14 year recycling program which is an excellent preventative maintenance program.

Mr. Miller stated that we should retain busses and take away number of spare vehicles. If the busses are safe, keep on the road.

Mrs. Lynch stated that now is crunch time, proposal is three years old. Willow Dale will suffer, bell time longer, tax increase.

Dr. Pollock stated that the District must recycle busses on regular basis.

Dr. Cressman informed the public that the District will work through options and Administration will do what is safest for the children.

Mr. Hartline asked for a motion to move the start/end times to the full board for approval. Mr. Shafter made the motion to move to the full board, Mr. Kleinschmidt seconded. **Motion carried 2-1-0.** (Mr. Hartline opposed)

Mr. Berdnik gave a brief overview of the fund balance and thanked the public.

Break at 9:25 p.m., reconvened at 9:30.

RENEWAL OF ORBIT SOFTWARE AGREEMENT

Mr. Berdnik stated the agreement was for one year at a cost of \$4,208.50 @ a 5% discount. Mr. Miller inquired if the District was using all of the features of the program. Mr. Gretton stated that there are others. Mr. Shafter made a motion to move the Orbit Software Agreement in the amount of \$4,208.50 for one year to the Full Board, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.**

ACCOUNTS PAYABLE/BENEFITS/PAYROLL

- a. Annual items for 2012/13:
 - i. Auxiliary pay schedule
 - ii. Game worker fees
 - iii. Officials fees – no change from 2011-12 anticipated at this time

Mr. Berdnik explained that these fee schedules are renewed every year. Most hourly rates on the auxiliary schedule were increased by 1%.

Mr. Berdnik stated that the game worker fees had one category added for the WTHS Debate Team officials. If the official is an employee, he/she will be paid through payroll, if non-employee thru accounts payable.

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

- b. Dependent eligibility audit update.
Mr. Berdnik stated that the dependent eligibility audit showed that 7 dependents were not verified under the medical and RX plan. A total of 29 dependents were not verified under the dental plan and 41 dependents were not verified under the vision plan. Human Resources staff will load dependent information of District system.

MBIT

- a. Committed fund balance resolution
Mr. Berdnik asked that the District to approve the resolution from MBIT. Budget for MBIT was approved previously. Mr. Kleinschmidt made a motion to move to the full board, Mr. Shafter seconded. **Motion carried 3-0-0.**

PURCHASING/CONTRACTS

- a. Annual items for 2012/13
- i. Joint purchasing plan
Mr. Miller stated that Buy Board was not included on the list. Mr. Hartline asked a motion be made to the full board with Buy Board added. Mr. Shafter made the motion, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.**
 - ii. Membership list
Dr. Cressman explained that this is a more efficient way to present to the Board. Mr. Shafter made a motion to move to the full board, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.**
 - iii. Overnight conferences
Mr. Berdnik stated that the conferences were consistent with prior year. Mr. Miller requested that the Federal Regulations Network (FRN) conference be increased to \$4,200 and to add Mr. Adams as an attendee. Mr. Shafter made a motion to move to the full board with change, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.**
 - iv. Scanning of personnel records
Mr. Berdnik stated that the District had received three proposals with Alternative Micrographic cost being \$1,383.50. Mr. Shafter made a motion to move to the full board, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.**
 - v. Renewal of *Prosoft* maintenance agreement
Mr. Berdnik explained that this was an annual agreement for maintenance to cover all the programs that District has installed. Mr. Shafter made a motion to move to the full board, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.**
- b. Sunesys installation at Davis
Mr. Shafter made a motion to move to the full board, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.**

REVENUES

- a. PLANCON G & H submissions
Mr. Berdnik explained that there is a backlog at the State level. PLANCON H would be for approval to apply for reimbursement at approximately \$850,000 per

year. Mr. Miller stated that with the Governor's hiatus on reimbursement, payment will be put on hold. Mr. Shafter made a motion to move to the full board, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.**

b. Homestead/Farmstead tax relief

Mr. Berdnik stated that the tax relief will be approximately \$168 per approved taxpayer for the Homestead/Farmstead tax relief for 2012-13. Mr. Shafter made a motion to move to the full board, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.**

REALITY BASED BUDGETING

a. Review of analytical statements/updated projection

Mr. Berdnik reviewed the statements and projection thru April 30, 2012. The projections reflect partial year savings from converting to the Delaware Valley Health Insurance Trust. Projection presumes Act 1 Index increase of 1.7% for real estate, as well as use of the debt service fund to the pay the 2012/13, 2013/14 and 2014/15 payments on Series 2010 B. Specifically excludes the estimated value of grandfathered debt and retirement exceptions (\$1,688,889) as local revenues. There is an employee reduction for 2012/13. Although difficult decisions must be made moving forward, staffing assumption is flat 2013/14 and beyond. Adjustments to roll balances for technology initiative, educational initiative and concessions: after 2011/12, these technology and education initiatives are in fund 10. Projections assume that the Dot Henry sale closes in 2011/12; Leary/Longstreth/Stackpole sale closes in 2012/13; further presumes funds are transferred to the capital reserve fund and dollar for dollar reduces the General Fund contribution to projects in 2012/13.

b. 2012/13 budget development update

i. Capital Reserve Fund

ii. Debt Service Fund

iii. Food Service Fund

Mr. Berdnik stated that the three funds were the same as when they were last presented to the Committee and needed board approval. Mr. Shafter made a motion to move the full board, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.**

iv. General Fund

Mr. Berdnik asked that the proposed final general fund budget be moved to the full board for approval. Mr. Shafter made a motion to move the proposed final general fund budget to the full board on Tuesday, June 12, 2012, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.**

ALTERNATIVE REVENUE UPDATE

a. Targeted Donation

Mr. Berdnik stated that the District had received a \$250 donation toward the William Tennent Debate Team. The gift will support entry fees at one or more regional competitions during the 2012-13 campaign.

b. Partnership with Menchie's Frozen Yogurt, Warminster

After a short discussion on the proposal from Menchie's which is located in the Center Point Shopping Center, the Committee chose the second option which is a straight sponsorship of a \$1,500 donation to the District which will entitle Menchie's to two banners, posters, website and marketing. Committee directed Administration to get clarification on replacement of banner in case of theft. Mr. Shafter made a motion to move to the full board, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.**

c. Computer cart with wraparound advertising

Mr. Reed explained the concept of the proposal from EarthWalk. The company would provide computer carts at no cost to the District and obtain advertisers for the carts. The initial carts would be located at William Tennent High School. The Superintendent would review and approve all advertising before carts are accepted. Mr. Shafter made a motion to move to the full board, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.**

The next Finance Committee meeting will be on Monday, June 18 at 7:00 p.m.

Meeting was adjourned at 10:50 p.m.

Respectfully submitted,

Christopher M. Berdnik
CFO