

**FINANCE AND LONG RANGE BUDGET
PLANNING COMMITTEE MEETING MINUTES
MONDAY, JANUARY 26, 2016**

IN ATTENDANCE: Mr. Mark B. Miller, Mr. Charles Kleinschmidt, Ms. Dana Morgan sitting in for Mr. Michael Hartline

BOARD MEMBER: Mr. Steven Adams

STAFF: Dr. David Baugh, Dr. Jennifer Polinchock, Ms. Judy Hengst

2. PLEDGE OF ALLEGIANCE

CALL TO ORDER:

Mr. Miller called the meeting to order.

Mr. Miller shared with the committee that Mr. Shafter and Mr. Hartline are not able to attend today's meeting due to Mr. Shafter is out in the community and Mr. Hartline had a change of schedule due to the inclement weather over the weekend.

3. MINUTES:

3.1 Approval of Minutes from December 21, 2015 (Action)

Ms. Morgan made a motion to approve the minutes from December 21, 2015. Mr. Kleinschmidt seconded. Motion carried 3-0-0.

4. FINANCE

4.1 2016-2017 Budget Update (Information)

Dr. Baugh shared that they are continuing to work on the budget although there have not been any major changes coming out of Harrisburg. We continue to tweak numbers and evaluate different options to help control the cost for the district. Mr. Chris Berdnik sent in a few slides to share with the committee this evening. Our 2016-17 projections will be adjusted once a complete 2015-16 State budget and corresponding school code bill are adopted. Dr. Baugh stated that it is difficult to build a budget for next year if we do not have one for this year.

Dr. Baugh continued with salaries and benefits and said we are projecting a 5.5% increase estimated by the Delaware Valley Health Trust. Dr. Baugh shared that the board joined a consortium a few years back that helped control cost well in advance of neighboring districts who aggressively joining the labor management trust who has about 22 districts in it. The Delaware Valley Health Trust is controlling medical costs at a far greater level. This update closes the gap between revenues and expenditures in the 2016-17 budget. Ms. Braun and Dr. Baugh had originally built the budget on a projection of 7.5% and 5.5% is saving us 2% which is good news and helps narrow the gap. We will continue to monitor and do what we can from a cost control perspective. Dr. Baugh shared that they will continue to monitor and make changes and update the board.

The next steps will be to continue the budget updates, and refine projections as additional information is available (e.g., negotiations, bids). We will provide monthly updates through the Finance

Committee, advocate fiercely for public education and reinstitute multiyear rolling forecasts prior to presentation of the proposed final budget. Mr. Berdnik will rejoin the team at the end of February.

4.2 Review of Financials for December 2015 (Information)

As per the attached reports, revenues are slightly lower this month than what was received in previous years, which is due to the state budget not being passed, however, the state has released some funds to school districts which the Board will see reflected in our January financials. As for expenditures, overall expenditures are trending higher than previous years due to the amount of encumbrances that have been entered into the purchasing system.

4.3 2016 IRS Mileage Reimbursement Rate (Action)

Ms. Braun shared with the committee that on January 1, 2016 the IRS issued a new standard mileage rate to \$0.54 cents per mile for business miles driven from \$57.5 cents. The board is being asked to approve this new mileage reimbursement rate for the district with an effective date of January 1, 2016. Mr. Miller indicated that this is an action item and needs to go to our full board for approval under our current policy. Ms. Morgan made a motion. Mr. Kleinschmidt seconded. Motion carried 3.0.0.

4.4 Electricity Purchasing Rates Beyond the 2016-2017 School Year (Action)

Ms. Braun shared that Provident Energy is looking to go beyond 2016-2017 to lock in prices. The board is being asked to accept the bid pricing received by Provident Energy for Electricity Pricing per their recommendation on February 2, 2016. Ms. Morgan made a motion. Mr. Kleinschmidt seconded. Motion carried 3.0.0.

5. SPECIAL EDUCATION

5.1 Board Certified Behavior Analyst (Action)

Mr. Miller indicated to move to the full board for approval. Ms. Morgan made a motion. Mr. Kleinschmidt seconded. Motion carried 3.0.0.

6. TECHNOLOGY

6.1 Teacher Laptop Bid Results (Action)

Mr. Ray Kase reported the results of the Teacher Laptop Bid. As previously discussed, he recommended a 3-year lease with a “dollar-out” clause so the District can purchase the laptops at the end of the term. The winning bid was Lenovo with a per unit cost of \$740 per laptop and \$120 per dock. Ms. Morgan made a motion. Mr. Kleinschmidt seconded. Motion carried 3.0.0.

6.2 Remote Access Software (Action)

Mr. Kase reported that we currently use Citrix solution to provide remote access to the CSD network from outside the district. The Citrix software has been in place for many years and does not provide reliable connections to the district network for employees to be able to work from home or off site. Ericom’s Access Solution is a single-source software purchase direct from the manufacturer. This is due to the fact that only the manufacturer offers a 1 year right to use as opposed to the purchase of permanent licenses. Ms. Morgan made a motion. Mr. Kleinschmidt seconded. Motion carried 3.0.0.

7. ADJOURNMENT

7.1 The next Finance Committee meeting will be held Monday, February 22, 2016