

CENTENNIAL BOARD OF SCHOOL DIRECTORS  
Warminster, Pennsylvania

MINUTES of FINANCE AND OPERATIONS COMMITTEE MEETING  
HELD March 22, 2016

**1. WELCOME AND INTRODUCTIONS**

A Finance and Operations Committee Meeting of the Centennial School Board was held March 22, 2016 in the Administration Building. The meeting was called to order by Mr. Shafter at 7:19 p.m.

Board members present: David Shafter, Dana Morgan, Steven Adams, Michael Hartline, Charles Kleinschmidt, Mark B. Miller.

The following Administrative members were in attendance at the meeting: Dr. David Baugh, Chris Berdnik, Dr. Jennifer Polinchock, Raymond Kase, Judith Hengst, Timothy Trzaska.

The list of members of the public who attended is attached.

Mr. Shafter announced that the Board is following a new format this evening and operating as a committee of the whole.

**2 PLEDGE OF ALLEGIANCE (Mr. Shafter)**

Mr. Shafter led the group in the Pledge of Allegiance.

**3. APPROVAL OF MINUTES (Mr. Shafter)**

**3.1 Approval of minutes from the Finance Committee Meeting held Monday, February 22, 2016 (Action)**

A motion was made by Mr. Hartline, second by Mr. Miller, to approve the minutes of the Finance Committee of February 22, 2016. Motion carries, 6-0-0.

**3.2 Approval of minutes from the Operations Committee Meeting held Wednesday, February 3, 2016 (Action)**

A motion was made by Mr. Adams, second by Ms. Morgan, to approve the minutes of the Operations Committee of February 3, 2016. Motion carries, 6-0-0.

**4. REALITY BASED BUDGETING**

**4.1 Review of Financials for February 2016 (Information)**

Mr. Chris Berdnik reviewed the February 2016 financial statements. He pointed out Centennial has not received the second portion of our basic education funding due to the blue line veto by the Governor.

Dr. Andrew Pollock arrived at 7:30 p.m.

#### **4.2 Update on the 2016-17 Budget Process (Information)**

Mr. Chris Berdnik provided an update on the 2016-17 budget. The estimates for 2015-16 and 2016-17 were slightly reduced downward. Medical insurance increased 1.33%. For the next steps, Mr. Berdnik will continue to refine projections and provide monthly updates. The tax rate increase is projected at 3.89%. The District may need to secure a line of credit in June if there is no action in Harrisburg on the 2015-16 budget. Dr. Baugh noted that many of these factors regarding the budget impasse in Harrisburg are out of our control.

#### **4.3 2016-17 Food Service Budget Draft (Information)**

The Food Service department anticipates a balanced budget for 2016-17. They are requesting to raise meal prices by \$.10.

#### **4.4 2016-17 Debt Service Fund Budget Draft (Information)**

Information was provided on the debt service fund budget.

#### **4.5 Update on the 2015-16 State Budget – PDE Checklist District Closure (Information)**

Information has been provided from Pennsylvania Department of Education regarding what steps to take if schools need to shut down before the end of the school year due to a lack of state funding.

#### **4.6 2016-17 DVHIT Medical Renewal (Action)**

Mr. Berdnik explained the medical insurance percentage rate increases for medical, dental, vision, and pharmacy. A motion was made by Mr. Hartline, second by Mr. Miller to move the medical insurance rates for 2016-17 to the full School Board for approval. Motion carries, 7-0-0.

#### **4.7 Governmental Accounting Standard No. 75 (Information)**

The Governmental Accounting Standard No. 75 will replace Governmental Accounting Standard No. 45 after June 15, 2017.

#### **4.8 PSDLAF Cash Flow Optimization Report as of February 2016 (Information)**

A report has been provided for information.

**4.9 Workers' Compensation Experience Modification Factor (Information)**

The District receive notice of a probable increase in our workers' compensation experience modification factor. Mr. Berdnik recommended the Safety Committee address this.

**4.10 Pennsylvania OBEB Trust Liaison (Action)**

Mr. Berdnik explained this is a formality to change the liaison from the prior interim business manager to Mr. Berdnik, the current business manager. A motion was made by Mr. Miller, second by Mr. Hartline, to move this request to change the liaison to the full School Board for approval. Motion carries, 7-0-0.

**4.11 Local Audit Contract – 2 Year Extension (Action)**

A motion was made by Mr. Miller, second by Mr. Hartline to move the 2 year extension of the contract with Maillie at a cost of \$25,000 per year to the full School Board for approval. Motion carries, 7-0-0.

**4.12 Centennial Shares – PASBO Presentation (Information)**

Information was provided regarding a presentation on safety committees delivered at the PASBO conference by Mr. Berdnik.

**4.13 Keystone Collections Group Taxpayer Helpline (Information)**

Information is available on the District's website for taxpayers.

**4.14 Middle Bucks Institute of Technology 2016-17 Proposed Budget (Action)**

A motion was made by Mr. Miller, second by Mr. Hartline to move the Middle Bucks Institute of Technology 2016-17 Proposed Budget to the full School Board for approval. Motion carries, 7-0-0.

**4.15 Flexible Benefit Plan – Amended (Action)**

Mr. Berdnik said there is a recommendation to align the plan year from January to December since there is a mismatch between the calendar year and our school year. Dr. Pollock asked if this has been approved by a MOU with the Centennial Education Association. He said no changes should be made until we have a contract with CEA. Discussion continued with comments made by Mr. Shafter and Mr. Adams. Mr. Berdnik suggested removing this recommendation from consideration. A motion was made by Mr. Miller, second by Mr. Hartline, to move the Flexible Benefit Plan to the full School Board for approval.

Dr. Pollock asked for a roll call vote. The results are: Mr. Miller, Yes; Ms. Morgan, Yes; Dr. Pollock, No; Mr. Shafter, No; Mr. Adams, Yes; Mr. Hartline, Yes; Mr. Kleinschmidt, No. Motion carries, 4-3-0.

## **5. PURCHASING/CONTRACTS**

### **5.1 Fixed Asset Inventory Audit and Reconciliation RFP 2016-15 – (Action)**

A motion was made by Mr. Miller, second by Mr. Hartline to go with the lowest responsible bidder. Motion carries, 7-0-0.

### **5.2 Municipal Advisor RFP 2016-16 – (Action)**

A motion was made by Mr. Miller, second by Mr. Hartline, to move the municipal advisor services, awarded to Public Financial Management, to the full School Board for approval. Motion carries, 7-0-0.

### **5.3 Insurance Broker Services RFP 2016-23 – Opens 3/25 (Action)**

Mr. Berdnik explained the timing is such that he does not have the proposals yet to score. He is requesting permission to bring to the Board the highest scores and to move it to the full Board without the Committee reviewing it again. A motion was made by Mr. Miller as listed above, second by Mr. Hartline. Motion carries 7-0-0.

### **5.4 Musical Instrument Rental Bid 2016-21 – Opens 3/29 (Action)**

Mr. Berdnik said we do not have the results yet, but he would be putting forward for approval the best price. A motion was made by Mr. Miller, second by Mr. Hartline to table this item until the next Finance Committee meeting. Motion carries, 6-1-0, with Dr. Pollock voting against the motion.

## **6. FACILITIES**

### **6.1 Blizzard Report (Information)**

Mr. Berdnik provided information on this report.

### **6.2 Update on Current Facility Projects (Information)**

Mr. Trzaska said this is the same report that has been provided every month. It has been updated in priority order. Dr. Pollock asked about the tennis courts. Mr. Trzaska explained they are trying to find a window of time in the summer between seasons when the work can be done that does not interrupt the student season. Dr. Pollock asked about community use during the summer and Mr. Trzaska said they would work around it. Discussion continued about this project and the warranty of the tennis courts.

### **6.3 Renovations to 48 Swan Way 2016-18 – Opens 3/29 (Action)**

Mr. Berdnik said this item and the one following, item 6.4, are not scheduled for action. The pricing on the electrical services must be held for 60 days. Both of these items will come back

for discussion at the April 12 Board meeting. Mr. Trzaska said we have time to extend the bid and then award it. Mr. Adams asking about the timing of moving the students from CSSCA. Mr. Trzaska explained that the move would be done in phases and the students could move at any time.

Mr. Miller noted that the Committee must take some action since these items are listed on the agenda. Both 6.3 and 6.4 are withdrawn until April.

#### **6.4 Electrical Service Upgrade to 48 Swan Way Bid 2016-19 (Action)**

This item is withdrawn until April, as noted above.

#### **6.5 Boiler Maintenance RFQ Q16-004 – Opens 3/29 (Action)**

This item is withdrawn until April.

#### **6.6 Chiller Maintenance RFQ Q16-003 (Action)**

A motion was made by Mr. Adams, second by Dr. Pollock, to go with the lowest responsible bidder. Motion carries, 7-0-0.

#### **6.7 Fire Equipment Inspection and Certification Bid 2016-20 – Opens 3/29 (Action)**

This item is withdrawn until April.

#### **6.8 Graduation Broadcast and Video Services Bid 2016-13 (Action)**

Applied Video is the low bidder. A motion was made by Dr. Pollock, second by Mr. Adams, to move this to the full School Board for approval. Motion carries, 7-0-0.

#### **6.9 Graduation Rental Equipment Bid 2016-14 (Action)**

The recommendation is to do this for a 3 year period. A motion was made by Dr. Pollock, second by Mr. Adams. A question was raised by Mr. Hartline regarding whether we looked into purchasing some of this equipment. Mr. Berdnik said storage is at a premium, so that is not an option at this time. Motion carries, 7-0-0.

#### **6.10 Water Treatment Chemicals and Service RFQ Q16-002 (Action)**

A motion was made by Mr. Adams, second by Dr. Pollock, to move the recommendation for the lowest bidder, Tustin Water Solutions, at a cost of \$5,256, to the full School Board for approval. Motion carries, 7-0-0.

### **6.11 Hart School Crest (Action)**

A request was made to donate the crest from the former Hart Elementary School to the Tennent House so that it will be a part of the history of the District. There were questions from Mr. Adams and Mr. Shafter. A motion was made by Mr. Hartline, second by Dr. Pollock, to loan the Hart Elementary School crest to William Tennent High School. Motion carries, 7-0-0.

### **6.12 PlanCon D Revisions PDE (Action)**

The District received a letter from the Pennsylvania Department of Education regarding the revisions to PlanCon D. Mr. Miller pointed out that as a formality, the Board has to accept the letter and insert into the minutes. A motion was made by Mr. Adams to accept the letter from PDE regarding PlanCon D and insert into the minutes, second by Dr. Pollock. Motion carries, 7-0-0.

## **7. FOOD SERVICE**

### **7.1 Breakfast and Lunch Prices for 2016-17 School Year (Action)**

Administration is recommending an increase of \$.10. A motion was made by Mr. Adams, second by Dr. Pollock, to move the recommended breakfast and lunch prices for the 2016-17 school year to the full School Board for approval. Mr. Shafter asked about the a la carte prices since this would effect our reimbursement. Mr. Berdnik said Shannon would work on this. Motion carries, 7-0-0.

## **8. TECHNOLOGY**

### **8.1 Cell Phone Carrier E-Rate Proposals (Action)**

A motion was made by Mr. Adams, second by Mr. Shafter, to move the approval of Verizon as the cell phone carrier to the full School Board for approval. Motion carries, 7-0-0.

### **8.2 Lit Fiber Wide Area Network Services RFP 2016-08 (Action)**

A motion was made by Dr. Pollock, second by Mr. Adams to move the recommendation for approval of Sunesys as the Wide Area Network provider for the next 5 years for the full School Board for approval. Motion carries, 7-0-0.

### **8.3 IT Performance Metrics (Presentation)**

Mr. Ray Kase provided a report on the performance metrics of the technology department.

## **9. TRANSPORTATION**

### **9.1 Bus Warranty Agreement (Action)**

A motion was made by Mr. Adams, second by Dr. Pollock to move the bus warranty agreement to the full School Board for approval. Motion carries, 6-0-0.

**9.2 77 Passenger Bus (4) Bid 2016-25 – Opens 3/29 (Action)**

Mr. Berdnik requested that items 9.2, 9.3 and 9.4 be considered for action all together in one motion.

**9.3 Vans (4) Bid 2016-22 – Opens 3/29 (Action)**

This item was grouped with 9.2 and 9.4.

**9.4 Vehicle Safety Video System (40, plus 3 stop-arm) Bid 2016-24 – Opens 3/29 (Action)**

A motion was made by Mr. Adams, second by Dr. Pollock to move the following requests to the full School Board for approval: 9.2 Purchase of (4) 77 passenger buses and (4) vans in time for next school year, with the purchasing coming from the 2016-17 school year budget; and purchase the vehicle safety video system for 40 buses on the interior plus 3 on the stop arm this school year. Motion carries, 7-0-0.

**10. ADJOURNMENT**

10.1 The next Finance and Operations Committee meeting will be held Monday, April 25, 2016.

A motion was made by Mr. Adams, second by Dr. Pollock to adjourn the meeting. Motion carries, 7-0-0.

The Finance and Operations Committee Meeting was adjourned at 8:35 p.m.

Respectfully submitted,

Christopher Berdnik  
Chief Financial Officer

