

FINANCE LONG RANGE BUDGET AND PLANNING COMMITTEE

MINUTES

JUNE 17,2013

IN ATTENDANCE: Committee Chair Michael Hartline, members Charles Kleinschmidt, David Shafter

BOARD MEMBERS: Mark B. Miller

STAFF: Dr. Joyce Mundy; Christopher M. Berdnik, William Gretton

PUBLIC: None

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. Shafter made a motion to approve the minutes of May 20, 2013, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.**

SAFETY/SECURITY

- a. Department of Homeland Security outreach status report – information only
Mr. Berdnik gave a brief overview on the phase two Department of Homeland Security outreach program.

PAYROLL/BENEFITS

- a. Auxiliary pay schedule – action needed
Mr. Berdnik stated that the auxiliary pay schedule only had minor adjustments as to align with the 2013-14 support compensation plan. Mr. Shafter made a motion to move to the full board, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.**

PURCHASING/CONTRACTS

- a. Bid/quote threshold – action needed
Mr. Berdnik presented the current bid and quote thresholds as issued annually by the Commonwealth's Department of Labor & Industry. If the Board adopts, the public bid threshold would be \$18,900.00 and written/telephonic bid would be \$10,200.00. By adoption of these thresholds it would increase the amount of flexibility the district has. It is important to note that operationally the designated Purchasing Agent still can and in most instances likely would require

bidding and quoting at lower thresholds. Mr. Kleinschmidt made a motion to move to the full Board, Mr. Shafter seconded. **Motion carried 3-0-0.**

b. Routine annual bids – action needed

- i. Fresh produce
- ii. Stock

Mr. Berdnik stated that there was only one bid for the fresh produce bid. The items on the bid do not have a long shelf life.

The stock supply bid is based on the lowest responsible bids received and the bids and the samples were reviewed by staff in each building. Mr. Kleinschmidt made a motion to move the fresh produce and stock bids to the full Board, Mr. Shafter seconded. **Motion carried 3-0-0.**

c. Health Services renewals – action needed

Mr. Berdnik explained that the three year contracts for School Doctor and School Dentist are for nonathletic services which the District's annual spend on these mandated services is projected on or about \$2,000 total. Mr. Shafter made a motion to move to the full Board, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.**

d. Curriculum renewals – action needed

Mr. Berdnik stated that there were four curriculum renewals for the 2013-2014 school year which exceed his statutory authority as purchasing agent. The programs themselves have all been approved by the Board and Education Committee in prior periods. Mr. Kleinschmidt made a motion to move to the full Board, Mr. Shafter seconded. **Motion carried 3-0-0.**

e. K-12 Teacher Evaluation Software – action needed

Mr. Berdnik explained that Administration was recommending TalentEd Perform as the tool for performance evaluations of certified, classified and administrative staff. The annual cost would be \$16,850 for the first year and \$11,350 annually thereafter. Mr. Kleinschmidt made a motion to move to the full Board option 1, Mr. Shafter seconded. **Motion carried 3-0-0.**

REALITY BASED BUDGETING

a. Review of reports and projection – information only

Mr. Berdnik reviewed the reports and financial highlights as of May 31, 2013. 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. As before, the District plans on executing year end transfers to either the debt service fund or the capital reserve fund (or a combination of both) with any 2012-13 year end surplus, perpetuating the Board's practice of casting good fortune forward. In

fact, the capital reserve fund plan of finance is contingent upon recording transfers of the Ann's Choice payments to that fund.

The district would be well served to focus on the bottom line each of the next three years and implement a combination of increased revenue and cost reduction strategies. In the long term meeting the PSERS crisis and Affordable Care Act head on will likely require a mix of Act 1 increases and staffing adjustments (e.g., middle school model).

b. Annual year-end closing resolution – action needed

Mr. Berdrik explained that the resolution authorizes the business office to continue operating through the summer and prepare the district for the local audit of 2012-2013. Mr. Kleinschmidt made a motion to move to the full Board, Mr. Shafter seconded. **Motion carried 3-0-0.**

ALTERNATIVE REVENUES

a. PECO rebate – information only

Mr. Berdrik explained that the \$3,059.67 rebate was for an upgrade in the heat pumps that service the pool area of the high school. This rebate was a small part of the monies received under the incentive program to reward customers who upgrade facilities with the intent of reducing energy use.

b. Menchie's partnership – information only

Mr. Berdrik stated that this partnership would be in its second year with the District. In addition to the partnership fee, Menchie's funds promotions for the district, individual schools, and various clubs throughout the year. Mr. Shafter made a motion to move to the full Board, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.**

NEXT MEETING

Mr. Hartline reminded everyone that the next Committee meeting will be on Monday, August 19, 2013, 7:00 p.m. in the Board Room.

Mr. Shafter made a motion to adjourn the meeting, Mr. Kleinschmidt seconded. **Motion carried 3-0-0.** The meeting was adjourned at 7:34 p.m.

Respectfully submitted,

Christopher M. Berdrik
CFO

