

FINANCE COMMITTEE

MINUTES

February 29, 2016

WARREN COUNTY CENTRAL OFFICE, SCHOOL BOARD CONFERENCE ROOM

COMMITTEE MEMBERS PRESENT:

Mr. Joseph Colosimo
Mr. Arthur Stewart

COMMITTEE MEMBERS ABSENT:

Mr. Paul Mangione, Chairperson

OTHERS PRESENT:

Ms. Donna Zariczny	Mr. Thomas Knapp	Ms. Ruth Huck
Mr. Mike Zamborik	Mr. John Anderson	Dr. William Clark
Ms. Amy Stewart	Mr. Jim Grosch	Ms. Patty Hawley
Mr. Gary Weber	Ms. Rhonda Decker	Ms. Sue Turner
Mr. Rick Gignac	Mr. Brian Collopy	Mr. Michael Kiehl
Ms. Melissa McLean	Ms. Marcy Morgan	Mr. Andy Close (Warren Time Observer)
Dr. Norbert Kennerknecht	1 Member of the Public	Mr. Josh Cotton (Warren Time Observer)

1. Opening Activities

1.1 Call to Order

Meeting was called to order at 7:44 p.m. by Acting Chairperson Mr. Arthur Stewart, filling in for Mr. Paul Mangione. Mr. Mike Zamborik filled in as Committee Member Pro tempore.

1.2 Public Comment

None

2. Old Business

2.1 Old Business

None

3. New Business

3.1 Budget Transfer

Discussion: This transfer is to fund the cost of sending students to SkillsUSA, DECA and FBLA state competitions.

Motion: That the Board of School Directors approve the Resolution and Budget Transfer in the amount of \$7,500.00

Action: Forward Motion to Board Meeting

3.2 2015-2016 IDEA Contract

Discussion: This agreement is entered into for the project period July 1, 2015 through June 30, 2016 by Northwest Tri-County IU#5 and Warren County School District.

The 2015-2016 IDEA funding for Warren County School District is \$929,740.13. Funding is calculated from the December 1, 2014 child count – 792 students at \$1,173.91 per child.

Motion: That the Board of School Directors approve the 2015-2016 IDEA Contract as presented.

Action: Forward Motion to Board Meeting

3.3 Repository Sale

Discussion: This is the normal process for a purchase request for property that is not on the tax rolls due to non-payment of taxes.

Motion: That the Board of School Directors approves the repository sale per the attached document for tax parcel #WN-004-619700-136.

Action: Forward Motion to Board Meeting

3.4 Budget Transfer #2

Discussion: This transfer is to update the 21st Century Grant budget so that “800” and “810” accounts are properly budgeted. This grant requires the use of “810” accounts due to the difference between the school district fiscal year and the grant fiscal year.

Motion: That the Board of School Directors approve the Resolution and Budget Transfer in the amount of \$12,267.50.

Action: Forward Motion to Board Meeting

3.5 Proposed 2016-2017 Intermediate Unit Budget

Discussion: The budget itself is over 500 pages. If anyone has any questions about the budget please send them to Mr. Jim Grosch and he will forward them to the Intermediate Unit.

Motion: That the Board of School Directors approves the Proposed 2016-2017 Intermediate Unit Budget in the total amount of \$56,775,966.00, as presented.

Action: Forward Motion to Board Meeting

3.6 2015-2016 Section 619 K-5 Pass Through Agreement

Discussion: The IDEA Section 619 K-5 pass through Agreement provides \$9,877 to support 5 year olds in Kindergarten programs with special needs or remained in Early Intervention. Allowable expenditures are limited to three (3) categories: (a) salaries, (b) benefits, and (c) related services.

Motion: That the Board of Directors approves the 2015-2016 Section 619 K-5 Pass Through Agreement.

Action: Forward Motion to Board Meeting

4. Informational Items

4.1 Financial Reports

Contact Mr. Jim Grosch if there are any questions or concerns with any of the reports.

5. Other

5.1 Budget Discussion

Administration distributed five (5) and seven (7) year plans to the Board. Administration noted that on the 7 year plan for textbooks we are currently at the 2015-2016 year plan. The textbooks were more expensive than anticipated. We purchased textbooks and electronic resources.

The Board of School Directors questioned if it would make sense to create a Capital Reserve account for textbooks and place it in an account for spending for future years. If we have additional revenue, is this a seemingly high priority item for Capital Reserve? Administration noted that this would be an excellent place for any additional revenue. Administration concluded that we are digging into educational needs that we haven't seen in a while.

Administration reviewed the technology 5 year projection which is a little more fluid than the textbook projection. We took a look at a sustainable program over time, the data center that was purchased this year. Technology and switches have to be upgraded and updated to keep up with technology and students.

Administration reviewed the Buildings and Grounds 7 year projection. It is noted that these are not committed fund balances. This is the Capital Reserve balances. There are still increases year over year that are necessary to rebuild a Capital budget for projects. We use to get \$1.2 million for Capital Reserve and that's been stripped to \$0 over time. For this year there was \$200K included in the adds to start to rebuild the budget.

Administration noted that sometimes things happen that are not anticipated. There is a vision of near years; roofs are starting to come out of warranty. A lot of projects have been on our radar for a number of years. This is a best estimate view of what we can expect in the next 7 years. Around year six (6) or seven (7) we have the Youngsville High School project. At this time, the Board will be asked for an even more detailed look at these projects and potential expenditures.

The Board of School Directors questioned if these items aren't financially conceivable can the Administration come back and help us prioritize; do we cut equally across the board so everyone suffers equally?

Administration will continue to look at the 5 & 7 year plans. The 2016-2017 budget and a 5 year projection will come to the March 29th committee meeting.

Administration provided an add sheet to the Board of School Directors. The first few are for special education; physical therapy equipment, AimsWeb – progress monitoring tool, special education technology replacement, Life Skills program curriculum materials, increased Life Skills program transportation, supplemental remedial reading software – MyON and School Wide Positive Behavior Intervention and Support (SWPBIS).

The condition, mileage and age of our fleet of vehicles need constant maintenance. These two lines are to purchase a used bucket truck and maintenance van(s).

The remaining line items are a work in progress and are related to staffing.

5.2 Charter School Payments

There is still no additional funding for basic education between now and the end of the year. There are some school districts who have not sent any payments or money to charter schools. The Warren County School District is paid up with our payments. Administration is asking the Board of School Directors for guidance on reducing, halting payments, etc.

Administration noted that we pay approximately \$3.75 million to cyber and charter schools this year. We've paid about 2/3; we've only received 1/2 of what we're supposed to from the State. Administration is looking for guidance; do we pay 100%, 33% or 0%?

The Board of School Directors stated that the intent before was to pass on whatever payments we had before to the charter schools.

Administration responded that at this point, there is no scheduled Basic Education payment out there. We have no idea if we're going to get the monies between now and the end of the year.

The Board of School Directors stated that if our goal is to have the charter schools share the same fate, then we should discontinue payments and we have gone over the fairness line to their benefit.

Motion: That the Board of School Directors directs, with regard to the payment of Charter School payments, that the District discontinues payments to the Charter Schools until which time that a State budget is passed or until Basic Education funds are released by the State.

Action: Forward Motion to Board Meeting

5.3 Detailed Budget Timeline

Administration stated that at the March 28th meeting we will be discussing the 1 year budget, 5 year budget, adds and cuts. If a member of the Board would like an additional budget session after March 28th, please let Administration know. There is a chance that we will need a special meeting closer to June 30th.

5.4 Budget Transfers

These are upcoming transfers that Administration wanted to inform the Board of School Directors of and bring to the Board meeting in March. PDE has made a lot of changes to the chart of accounts and Administration will be making budget transfers to be in line.

5.5 Other

A Board member stated that on the PSBA News Bulletin several School Districts are opting to not pay their PSERS settlements until the budget is settled.

Administration stated that PSERS came out in the fall and told us we could not pay the employer portion; we took that opportunity and didn't pay until January. There was a threat at one point that if we didn't pay PSERS there was going to be an interest charge. Administration will look into it.

6. Closing Activities

6.1 Next Meeting Date

March 28, 2016 Following PPF

6.2 Executive Session

None

6.3 Adjournment

Meeting adjourned at 8:33 p.m.