

CHARTIERS VALLEY SCHOOL DISTRICT
MINUTES OF THE WORKSHOP/SPECIAL ACTION MEETING
OF THE
BOARD OF SCHOOL DIRECTORS
ADMINISTRATIVE OFFICES/DISTRICT ASSEMBLY ROOM

February 13, 2018

1.0 Meeting Opening

A. Call to Order

The Workshop/Special Action Meeting of the Chartiers Valley Board of School Directors was called to order at 6:37 p.m. by Mr. Mazzarini in the District Assembly Room.

B. Pledge of Allegiance

C. Roll Call

Present

Mr. Tony Mazzarini, President
Mr. Darren Mariano
Mr. Jeff Choura
Mr. Eric Kraemer
Mr. Mark Kuczinski
Mr. Robert Kearney
Mrs. Julie Murphy
(Via Phone)
Mr. Brian Kopec
Mrs. Sandy Zeleznik

Also Present

Mr. Scott Seltzer, Interim Superintendent
Mr. Don Palmer, Solicitor
Dr. Jillian Bichsel, Director of Secondary
Education

Absent

Mr. Mark Kuczinski

D. Public Comments

Mr. Calgaro said that he met with Mr. Seltzer and Mr. McCartney and discussed a collaborative effort between the Scott Twp. Library, the school district and the council. We are going to offer a proclamation to Alum. of Chartiers Valley, Jason Deichler who now has command of the USS Pittsburgh. We are going to offer this proclamation to the family tentatively at the March meeting and I asked Mr. McCartney if he would like to attend and anyone else that would like to attend. As a member of the Library Board, we want to meet with the Principals and ask them, what can we do as a library to help the school and students with materials, computers or internet access. He also said that they would like to start offering proclamations for Chartiers Valley championship teams.

Mr. Mazzarini said that he thought it was a good idea to collaborate, especially when it comes to internet and things like that. We take it for granted, but there are families that still don't have internet.

Mrs. Sedlak discussed something that she had previously mentioned at a board meeting concerning the lack of collaboration between the Scott Twp. Commissioners and the School District. She thinks that a representative from the district should be attending the meetings of all the townships in our district. Having that bridge to go to the communities and say this is what we're doing, because we're doing really great stuff, but no one knows. I would really like to see a partnership growing between our communities and our resources.

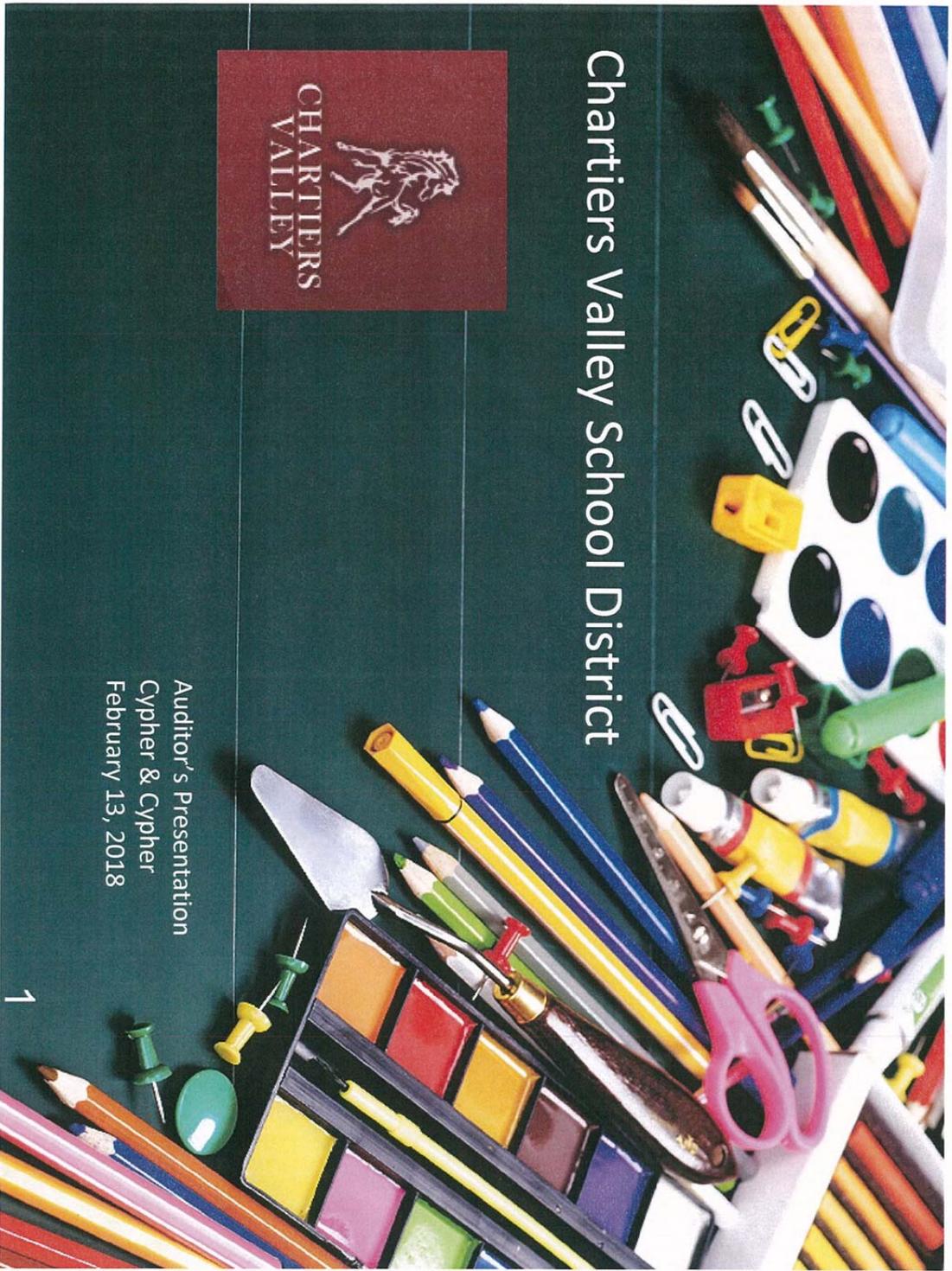
E. Recognitions

Mr. Kearney said that he wanted to recognize Mr. Bane and his crew for keeping things running smooth this winter.

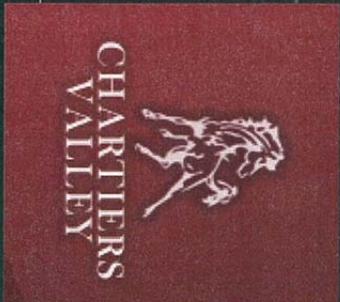
2.0 Superintendent's Reports/Presentations

2.1 Audit Presentation – Cypher & Cypher.

Steve Cypher and Luke Rayle of Cypher & Cypher gave the auditors presentation. The presentation included Management's Discussion and Analysis, Government Wide Financial Statements, Statement of Net Position and Statement of Activities. The Fund Financial Statements included, Balance Sheet-Governmental Funds, Reconciliation of Governmental Funds Balance Sheet, Statement of Revenues, Expenditures and Changes in Fund Balances, Reconciliation of the Statement, Statement of Cash Flows, Statement of Fiduciary Net Position and the Statement of Changes. The Supplementary Information included, Combining Balance Sheet, Statement of Changes in Assets and Liabilities, Independent Auditors Report and Compliance, Schedule of Findings and Questioned Costs, Schedule of Expenditures of Federal Awards and Notes to Schedule of Expenditures of Federal Awards.



Charters Valley School District

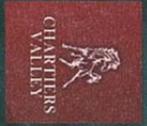


Auditor's Presentation
Cypher & Cypher
February 13, 2018



Charters Valley School District

Auditor's Report

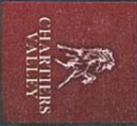


- Audit covered the Financial Statements for the year ended June 30, 2017.
- The financial statements are the responsibility of the school district management.
- We conducted the audit in accordance with U.S. governmental auditing standards.
- The auditor's opinion is unmodified.



Charters Valley School District

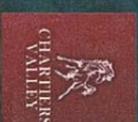
Single Audit Reports



- Single Audit Act Amendments of 1996
- Compliance and internal controls at the financial statement level
- Compliance and internal controls at the federal program level
- NO instances of non-compliance with laws and regulations and NO significant deficiencies.

Charters Valley School District

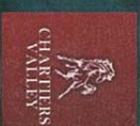
Fund Level Statements – Pages 3 through 11



- Focus is on the short term.
- What Happened This Year with the General Fund and the Budget.
- What Happened This Year with Major Funds.
- Major Funds are
 - General
 - Capital Improvement
 - Debt Stabilization
 - Cafeteria

Charters Valley School District

Fund Level Statements



- General Fund
 - Total Revenues and transfers in of \$60,500,916
 - Total Expenses of \$60,353,757
 - Net Change in Fund Balance of \$147,159
- General Fund – Total Fund Balance is \$2,433,437
 - Prepaid Expenditures - \$577,151
 - Designated Purposes - \$570,694
 - Athletics - \$40,681
- Unassigned - \$1,244,911

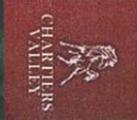


Charters Valley School District

Fund Level Statements



- ❑ Debt Stabilization Fund
 - ❑ Total Revenues of \$214,094
 - ❑ Total Expenses of \$-0-
 - ❑ Net Change in Fund Balance of \$214,094
- ❑ Debt Stabilization Fund - Fund Balance is \$26,462,959
- ❑ Capital Improvement Fund
 - ❑ Total Revenues and other financing sources of \$15,647,027
 - ❑ Total Expenses and other financing uses of \$40,367,303
 - ❑ Net Change in Fund Balance of \$(24,720,276)
- ❑ Capital Improvement Fund - Fund Balance is \$30,455,049

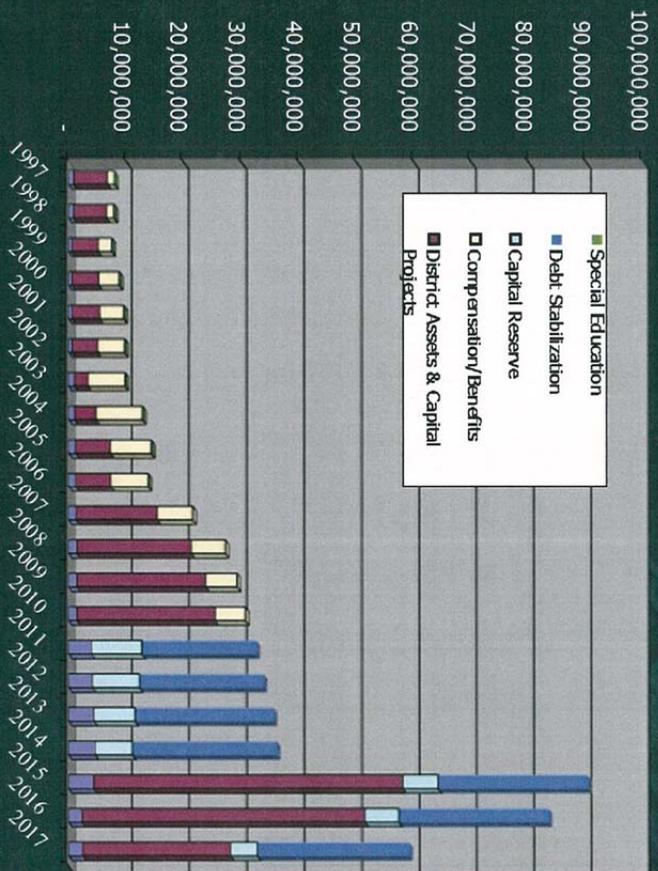


Charters Valley School District

Fund Level Statements

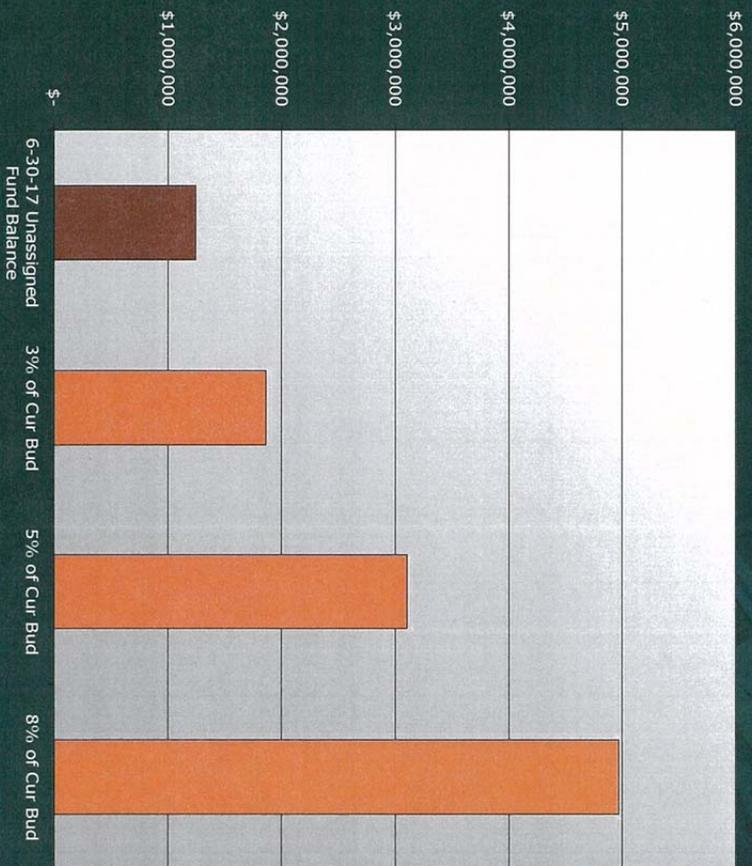
- ❑ General Fund actual revenues and transfers were \$778,991 under budgeted revenues.
 - ❑ Under in other local, tax, and federal revenue. Over in state revenue.
- ❑ General Fund actual expenditures and transfers were \$1,703,988 under the original budgeted expenditures.

Charters Valley School District History of Fund Balances



Charters Valley School District

How Much is an Appropriate General Fund balance?



Charters Valley School District Financial Statements

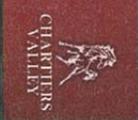


- ❑ Three Major Components
 - ❑ Fund Financial Statements
 - ❑ Government Wide Financial Statements
 - ❑ Management's Discussion & Analysis



Charters Valley School District

Management's Discussion and Analysis

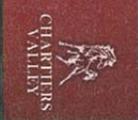


- ❑ Discussion by the Superintendent and Business Manager
- ❑ Designed for the non-expert reader of the financial statements.
- ❑ Presents Illustrations of
 - ❑ Financial Highlights for the Year
 - ❑ Overview of the Financial Statements
 - ❑ Discussion of Future Economic Factors
- ❑ Found at the beginning of the auditor's report pages i-xxviii



Charters Valley School District

Management's Discussion and Analysis

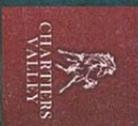


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Charters Valley School District Net Position



- Government Wide – Net Position
 - \$(17,169,076) at June 30, 2017
- Net Capital Assets of \$40,819,160
- Restricted Balances of \$31,960,047
- Unrestricted Net Position of \$(89,948,283) at 6/30/2017
- Unrestricted Net Position of \$(86,265,801) at 6/30/2016



Charters Valley School District

Statement of Activities – Page 2

Functional Expenditures	Total Cost of Service before Grants & Charges	Less: Direct Grants and Charges for Services	Net Cost of Service
Instruction	\$ 41,824,698	\$ (7,081,616)	\$ 34,743,082
Instructional Student Support	3,915,650	(434,835)	3,480,815
Administrative and Financial Support	4,543,660	(422,540)	4,121,120
Operation and Maintenance of Plant	8,257,560	(432,421)	7,825,139
Pupil Transportation	5,165,958	(1,547,653)	3,618,305
Student Activities	2,024,790	(349,956)	1,674,834
Community Services	11,559	(1,506)	10,053
Interest on Long-Term Debt	3,076,136	(4,362,701)	(1,286,565)
Food Service	1,700,263	(1,649,056)	51,207
Risk Management	71,761	-	71,761
Total Government	70,592,035	(16,282,284)	54,309,751
Less: Interest Earnings, Unrestricted Grants, Subsidies (ESBE/Homestead)			(5,860,750)
Charters Valley School District -			\$ 48,449,001
Local Share of Costs			68.63%
Local Share as a Percentage of Total Costs - 16/17			75.25%
Local Share as a Percentage of Total Costs - 15/16			72.28%

Charters Valley School District Management Letter



- Fund Balance
- Cafeteria Fund
- GASB Statement #75

Chartiers Valley School District

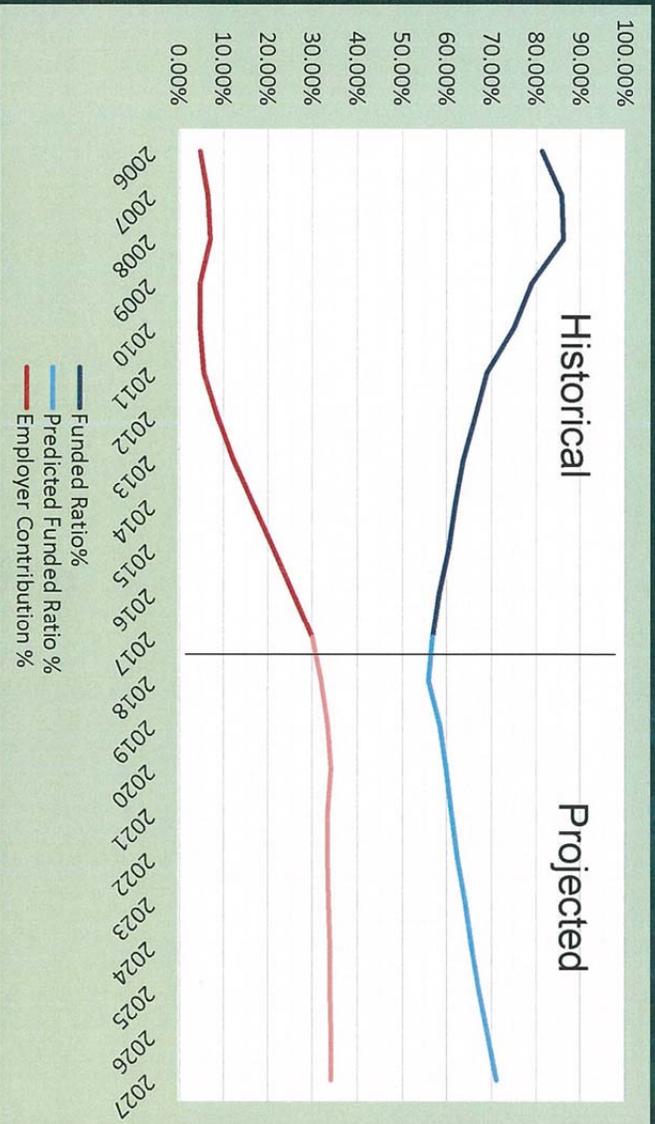
State of PSEERS

Increasing Employer Contributions

Fiscal Year	Member Contributions	Employer Contributions				
		Normal Cost	Unfunded Accrued Liability	Health Insurance	Actual Rate	Final Employer Contribution
2018-2019					Actual Rate	33.43%
2017-2018	7.52%	7.70%	24.04%	0.83%		32.57%
2016-2017	7.52	8.31	20.89	0.83		30.03
2015-2016	7.49	8.38	19.44	0.84		25.84
2014-2015	7.46	8.46	17.51	0.90		21.40
2013-2014	7.43	8.57	15.25	0.93		16.93
2012-2013	7.40	8.66	12.99	0.86		12.36

Charters Valley School District

PSERS Funded Ratio - Historical and Projected



3.0 Consent Agenda

3.1 Motion to approve Minutes of Meeting, January 23, 2018.

3.2 Motion to approve 2018-2019 school calendar.

Mr. Kopec asked about the Open Houses.

Mr. Seltzer said that the Building Principals set that up and then get word out.

3.3 Motion to approve Human Resource Report.

Mr. Mazzarini asked about PostScript Productions.

Dr. Bichsel said that they worked with the same company last year for the Celebrate CV video that was done that highlighted students across the district. This year we hired them again to do videos highlighting and celebrating our staff and also to promote the event Celebrate CV. The other video is being created to promote the Applied Engineering and Technology Department and all of the courses that are coming out of that facility. Both are paid for through different grants.

Mr. Mazzarini asked if there was any student interaction in the process of the production.

Dr. Bichsel said that she talked with Jeff Ackermann about his students shadowing PostScript and they did that for the Tech Ed video and they are actually coming to the Celebrate CV event to video that event.

3.4 Motion to approve agreement with PostScript Productions in the amount of \$5,000.00. Funding for this expense will be provided by: \$3,000.00 grant received through Project Lead the Way and \$2,000.00 from Title III funds for one video for "Celebrate CV" and one video for Tech Ed promotion.

3.5 Motion to approve Student Council Valentine's candy sale.

Motion to approve item 3.1 through 3.5 listed above.

MOVED by Mrs. Zeleznik, seconded by Mr. Choura.

On a voice vote, the motion passed unanimously.

4.0 Action/Discussion

4.1 Motion to approve PlanCon Part I which includes the cumulative list of Change Orders.

Mr. Mazzarini said this will be submitted to the state and we get a reimbursement based on the percentage that PlanCon is aiding with the project.

Motion to approve item 4.1 listed above.

MOVED by Mr. Kraemer, seconded by Mr. Kearney.

On a voice vote, the motion passed unanimously.

4.2 Motion to approve the proposed 2018/19 Allegheny Intermediate Unit Program of Services Budget in the amount of \$2,086,109.00. The Allegheny County (AIU3) school districts total contribution to the budget is \$1,765,288.00. The Chartiers Valley School District contribution of the Program of Services Budget is estimated to be \$61,051.00 and will be determined by PDE according to District Aid Ratio and Weighted Average Daily Membership (WADM).

**Motion to approve item 4.2 listed above.
MOVED by Mr. Mariano, seconded by Mr. Kearney.
On a roll call vote, the motion passed unanimously.**

4.3 Motion to approve February, 2018 Construction Report.

Mr. Day said that Rycon provided them with the February schedule update that was forwarded to Mr. Seltzer. The current status of the MS, Phase 1A and 1B punchlist is getting addressed. We have sub-contractors on for Monday when there are no students so that we can get to some of the punchlist stuff. The stage is anticipated to be ready by the 23rd of February and the operable partition is getting installed tomorrow. The bleachers in the gym are scheduled for the 19th and we are waiting for the support structure for the basketball hoops. The MEP Commissioning is ongoing.

The HS project, same as the MS. There are subs coming on Monday for the punchlist items. The 2A learning tower structural steel continues, and the last delivery of steel will be this Friday. Rycon is starting to prep for their slab-on-deck pours and the roofer is scheduled to hit the sight in early March.

Mr. Day said that most of the change orders are ones that have been tracked and discussed over the past couple months. The Ryon change orders are all related to the foundation and the redesign that needed to be done. Change Order #19 is due to the cost of the water damage repairs in Performing Arts that the restoration company repaired.

Mr. Mazzarini asked if that was an insurance claim?

Mr. Seltzer said that it was.

Mr. Day said that the Enders Change Order #04 was to extend the pool chlorine fill line and relocating a water and gas line. Change Order #05 was the new roof and roof drain for the service area that had to be built back up, the heaters for the temporary corridors and the function of the redesign of the foundations. Change Order #03, there was some work done on the bridge elevator, connection of ice makers and a handful of scope items.

Mr. Mazzarini asked Mr. Day if all of these change orders were vetted and if he agreed with them.

Mr. Day said that they had been and he did.

Mr. Seltzer discussed the options for the Envelope Testing. The first option is to eliminate all tests. Option 2 would be to do final testing in the MS and HS once the project is complete and option 3 would be to just do final testing at the MS. We need to come to a decision on what we're going to do.

Mr. Mazzarini said that he had sent an email out to get some feedback, but if anyone wants to go on record, please do so.

Mr. Choura said that he thinks that they should be eliminated.

Mr. Kearney said that they should vote on the issue.

Mr. Kopec stated that he wasn't involved in the original discussions, but thinks that there might be some value in doing a final test. Obviously the preliminary testings did not go well or were they any value, but a final test may be of some value.

Mrs. Murphy said that she agreed with Mr. Kopec.

Mr. Mazzarini said that a final test would be an interesting exercise to see where things landed, but unfortunately from our contract prospective, I don't think we would have much of a legal avenue to pursue.

**Motion to approve item 4.3 listed above.
MOVED by Mr. Kearney, seconded by Mr. Choura.
On a voice vote, the motion passes unanimously.**

Mr. Palmer added item, 4.13 to agenda listed below.

- 4.4 Motion to approve Rycon construction Change Order #16 for an add of eighty-seven thousand seven hundred eighty-two dollars and zero cents.

**Motion to approve item 4.4 listed above.
MOVED by Mr. Kopec, seconded by Mr. Kraemer.
On a voice vote, the motion passed 7-1.**

- 4.5 Motion to approve Rycon Construction Change Order #17 for an add of seventy-two thousand ninety-three dollars and zero cents.

**Motion to approve item 4.5 listed above.
MOVED by Mrs. Zeleznik, seconded by Mr. Mariano.
On a voice vote, the motion passed 7-1.**

- 4.6 Motion to approve Rycon Construction Change Order #18 for an add of eighty-nine thousand eight hundred sixty-seven dollars and zero cents.

**Motion to approve item 4.6 listed above.
MOVED by Mr. Kraemer, seconded by Mrs. Zeleznik.
On a voice vote, the motion passed 7-1.**

- 4.7 Motion to approve Rycon construction Change Order #19 for an add of twenty-five thousand on hundred seventy-four dollars and zero cents.

**Motion to approve item 4.7 listed above.
MOVED by Mrs. Zeleznik, seconded by Mr. Kopec.
On a voice vote, the motion passed 7-1.**

- 4.8 Motion to approve and ratify Enders Plumbing and Heating Change Order #03 for an add of six thousand four hundred seventy-three and zero cents.

**Motion to approve item 4.8 listed above.
MOVED by Mr. Kopec, seconded by Mr. Kraemer.
On a voice vote, the motion passed unanimously.**

- 4.9 Motion to approve and ratify Enders Plumbing and Heating HS Change Order #04 for an add of seventeen thousand one hundred eighty-two dollars and zero cents.

**Motion to approve item 4.9 listed above.
MOVED by Mr. Kearney, seconded by Mrs. Zeleznik.
On a voice vote, the motion passed unanimously.**

- 4.10 Motion to approve and ratify Enders Plumbing and Heating HS change Order #05 for an add of fifteen thousand two hundred fifteen dollars and zero cents.

Motion to approve item 4.10 listed above.

MOVED by Mrs. Murphy, seconded by Mr. Kearney.

On a voice vote, the motion passed unanimously.

- 4.11 Motion to approve the following:

1. Preliminary Budget of the School District for the 2018-19 fiscal year on form PDE 2028 as presented to the School Board is adopted as a Preliminary Budget Proposal for the School District General Fund. The Administration and School Board will continue to review budget components, and the Preliminary Budget may be revised prior to adoption of the Final Budget for the 2018-19 fiscal year.
2. The Act 1 index applicable to the School District as calculated by the Pennsylvania Department of Education is 2.4%. The Preliminary Budget Proposal assumes that the School District will receive approval of the use of the applicable Act 1 Real Estate tax referendum exceptions. The School District shall take all steps required to obtain approval for the referendum exceptions contemplated in the Preliminary Budget Proposal.
3. The School District shall continue to make the Preliminary Budget Proposal available for public inspection.
4. Chartiers Valley School District officials shall take all actions necessary or appropriate to carry out the intent of this resolution.

Mr. Seltzer said that the Preliminary Budget includes a tax increase plus exceptions. This is just preliminary, we will propose a final budget in May. One thing I like about the process now, we have teachers involved, our principals and directors. We are starting from the ground up, we're starting at zero and working to a number that is necessary to function. Mrs. Hartnett and Ms. Cordisco are meeting with people, sharing the process of how it works and we feel that we want to have as much flexibility as possible to provide an education for our students.

Mr. Mazzarini said that based on our auditors report we need to be extremely aware of where we are and where we are heading. It doesn't look like things are turning back to where they once were as far as pension costs and our responsibility of that. It's nice that we're working together as an entire district to get this budget together.

Motion to approve item 4.11 listed above.

MOVED by Mr. Kearney, seconded by Mr. Kraemer.

On a voice vote, the motion passed unanimously.

- 4.12 Discuss Facility Rental Policy.

Mr. Seltzer stated that we rent our facilities to different agencies and different companies. One of the organizations that rented our facilities sent out postcards, which really brought this to our attention. When the postcards were sent out, because they are meeting here, they had our address. Pastor Stevenson and I went back and forth through emails and what he wasn't aware of is that if he is going to send out any promotions that he makes sure he adds that it is not sponsored by the Chartiers Valley School District. He is willing to do that and is putting it on his website that this is not a CV sponsored event.

We do rent out to multiple groups, there is a facility charge, custodial charge and security charge if necessary, utilities etc. In 2016 we tightened up our facilities usage policy, there was a cost chart attached to that, but we are still using our old costs.

Mrs. Zeleznik said that it is important to reiterate or highlight in these instructions that anything that goes out has to state that it is not sponsored by our school. She also asked Pastor Stevenson if the mailings that had already been printed, prior to mailing, if there could be some sort of label put on them stating that it was not a school sponsored event.

Pastor Stevenson said that the mailings are done through a third party, so unfortunately not, but it will be included in the final mailings design.

Mr. Palmer asked if it was included on their website.

Pastor Stevenson said that the website would be updated this evening to include that information.

Pastor Stevenson discussed his history and membership.

Mr. Palmer said that the provision in the policy requiring applicants to include in advertisements and promotions the statement that it's not board sponsored or district sponsored applies to everyone. It's particularly acute when the user is a religious organization, because we have to walk that fine first amendment line between not endorsing and not being hostile and posting that to your website helps in the not endorsing component.

4.13 Motion to eliminate the envelope testing in both the MS and HS project.

**Motion to approve item 4.13 listed above.
MOVED by Mr. Kearney, seconded by Mr. Choura.
On a voice vote, the motion passes 6-2.**

5.0 Public Comments

None

6.0 Adjournment

Mr. Palmer said that there was an executive session prior to tonight's meeting.

**Motion to adjourn the meeting at 8:09 p.m.
MOVED by Mrs. Zeleznik, seconded by Mr. Choura.
On a voice vote, the motion passed unanimously.**

Respectfully submitted,

Deborah Wiseman
Acting Board Secretary

