



## **Board of School Directors Committee Meetings Minutes Wednesday, December 11, 2019**

Generated by Renai Cardillo on Friday, December 13, 2019

**Members present:** Nicholas Braccio, Janet Flisak, Matt Holliday, Ken Keith, Stephen Nelson, Courtney Barbieri

**Members absent:** William Brong, Thomas Kwiatkowski, and Donna Scheuren

**Others present:** Lisa Ball, Frank Gallagher, Christopher Hey, Katie Kennedy-Reilly, Brian Pawling and Megan Zweiback

### **1. Finance Committee**

#### **1.1 2020-2021 Preliminary Budget Update**

Mr. Keith called the meeting to order at 6:46 PM.

Director of Business Affairs, Mr. Pawling reviewed a Power Point presentation noting that it is a high level first look at the 2020-2021 budget. As a frame of reference, the presentation itemized Revenues, Expenditures and Surplus (deficit) for the 2018-2019 and the 2019-2020 school years.

Mr. Pawling discussed the Act 1 Index for the 2020-2021 school year which is set at 2.6%. The Act 1 Index is an economic cost driven figure that limits real estate tax increases, which school districts must opt in or opt out of staying below without approved exceptions, as part of their budget preparation. Mr. Pawling reviewed the impact of the Act 1 Index on the millage rate.

Mr. Pawling reviewed several years of actual versus budgeted local revenues which is where the largest percentage of revenue is generated for the school district budget. Mr. Pawling also reviewed the specific budget items that receive State revenue. Those items include Transportation, Social Security Reimbursement, Special Ed and Basic Ed Funding and Retirement Payment Reimbursement.

Mr. Pawling reviewed Department Highlights that included salary expenditures and the anticipated increases due to staffing; new support services positions in ESL, OT/PT, special education, security and technology. Mr. Pawling noted that several of these employee groups also have contractual increases. Mr. Pawling reviewed the SASD Benefit Expenditure Summary which includes the PSERS (PA Public School Employees Retirement System) contribution and medical benefits. Mr. Pawling commented that the PSERS rate contribution has been certified at 34.51% and the medical/RX budget projects a 6% increase based upon a recent consultant analysis. Business Department budget items were discussed which include charter school tuitions, district cost payable to N.M.T.C.C., debt service and the budgetary reserve.

Dr. Hey spoke briefly about the Human Resources Department budget noting that it includes salary increases for new support service positions in ESL, OT/PT, Special Ed, Security and Technology. He also indicated that a proposed upgrade to the HR digital platform was included in the proposed budget. When questioned about retirements, Dr. Hey responded that those savings are not factored in at this time, but will be included as the process budget develops.

It was noted that the Pupil Services budget which includes the Vantage and Lakeside Schools contracts is up for renewal and accounts for some of its increase. The Pupil Services budget also includes two additional trauma trained counselors as well as district-wide safety and security upgrades. Mr. Pawling noted that the department has applied for an Act 44 Grant to assist in covering those costs as well as a new communications network and door entry systems.

Mr. Pawling stated that the school district would be conducting a full-scale Facilities study with the goal of obtaining a detailed district-wide overview of all buildings, equipment and potential projects. It is anticipated that the vendor selected to perform the study will be presented at the January Operations Committee Meeting. In addition, the results of the facilities study should also prove useful to further refine the Operations portion of the budget. A brief discussion occurred regarding snow removal and the capability to perform some removal utilizing district staff instead of outside contractors.

Dr. Kennedy-Reilly reviewed the Curriculum Budget items which includes curriculum writing resources, and secondary Math books. Other additional resources included materials associated with a new secondary environmental course, World Language (Mandarin) resources and updated AP Economics textbooks.

The Technology Department Budget includes a review of the current ISP and the upgrading of existing fiber connections. In addition, structure and supports for managing threats and response, are included in the budget. An upgrade to web hosted programs and back up system are also proposed in the Technology Budget.

Mr. Pawling stated that the Administration recommends the approval of the opt-out resolution at the December 19th Board meeting, which indicates that the Board would not impose a tax increase that would exceed the Act 1 Index of 2.6%. Mr. Pawling noted that the February Finance Meeting would be a deeper dive into specific department budgets.

Mr. Keith indicated that he and Mrs. Scheuren had reviewed this presentation last week and thought it was reflective of a good starting point of the budget. Mr. Holliday praised the presentation and agreed that it reflected a good starting point. Mr. Holliday stated that he is typically not in favor of adopting the opt-out; thus preserving flexibility for the school district during the budget preparation process.

Mr. Pawling indicated that his philosophy of opting out sends the message of commitment, that the Board and Administration are resolute in keeping the budget within the parameters set by the State. A brief discussion occurred about electing not to Opt Out and Dr. Gallagher said that he could not support electing to take exceptions. Several Board members were in favor of the opt-out.

Mrs. Flisak asked about the budget increase for ESL teachers and assistants. Dr. Gallagher responded that the over all district ESL population is increasing. He noted that while overall enrollment is decreasing, the ESL demographic is increasing. Dr. Gallagher also responded that occupational therapy for students has also increased.

Mrs. Flisak also inquired about the projected 6% increase to the medical fund. Mr. Pawling noted that meetings with the health insurance provider has provided them several assumptions allowing for growth. He also noted that it is a blended rate of medical and RX and warned about undercutting this projection. Mr. Nelson commented that 10% was an industry norm he was familiar with and Dr. Gallagher indicated that 7% is the average for schools.

Discussion continued briefly on medical costs and total versus budget and Dr. Gallagher reminded that this particular budget item is reviewed actively on a monthly basis.

Mr. Braccio asked about proposed legislation regarding property tax reform and its impact on our budget preparation. Mr. Pawling said it is difficult to assess any of those proposals at this time, but as a member of PASBO (PA Association School Board Officials) he would keep the Board and Administration aware of any legislation that may develop.

The Committee agreed to move the opt-out resolution forward for official vote.

## **2. Operations Committee**

### **2.1 Approve the Proposed 2020-2021 School Year Calendar**

Dr. Gallagher commented that the calendar creation is coordinated with the four schools that send students to North Montco Technical Career Center.

Dr. Hey noted that the first day of school is scheduled for Tuesday, September 1st and that the Labor Day holiday falls later in the month on September 7th. He also noted that there will be only one Jewish holiday on this years calendar as the other one falls over the weekend. Dr. Hey stated that there are three days allocated within the calendar that may be used for snow make up days.

The Committee agreed to move the calendar forward for Board approval.

Mr. Keith adjourned the meeting at 7:48 P.M.

Respectfully Submitted,



Brian Pawling  
Board Secretary