

Lehigh Area School District
Lehigh, Pennsylvania

Finance Committee Meeting
Tuesday January 12, 2016

Minutes

Present

☐ Richard Beltz	Present
☐ Byron Arner	Present
☐ Marianne Dwyer	Absent
☐ Andrew Yenser	Present
☐ Gloria Bowman	Present
☐ Brian D. Feick	Present
☐ Tina Holmes	Present
☐ Jonathan Cleaver	Present but had to leave for Planning Commission Meeting
Recording Secretary- Rebecca Mastroddi Present	

George's Transportation Daily Run Bills for Approval (enclosure): All attending Committee members agreed to pay the December 2015 transportation bill.

Mr. Beltz: Yes Mr. Arner: Yes

Presentation by Mr. Zach Williard of PFM:

- Hand-out Reviewing the Bond Sale Document (results of Negotiated Pricing). November 4, 2015.
- Mr. Williard explained the outlines of the final borrowing and the district's AA3 credit rating.
- Explained page seven and answered questions.
- Shown in column 15 previous school boards attempt of continuing a budget neutral project to not increase taxes for our tax payers
- Mr. Beltz questioned how confident is the district that the Plan Con reimbursement will come through.
- Mr. Feick stated the state never guarantees any money but that the state just passed a bill to fund existing plan con and pipeline projects. The state now has a 2 year moratorium for any new projects starting February 15, 2016.
- Mr. Arner asked if the Series A bond is callable. Mr. Williard explained it is not for 10 years. Mr. Beltz asked what the penalty would be if called early. Mr. Williard explained it's not a penalty per say, must pay payments and interest

and the interest at 1 ½ %. The district would pay approximately \$350,000 in interest debit service more than they would receive in interest earnings. Mr. Beltz said it would be 3.5 million dollar penalty and Mr. Williard stated yes you could call it that.

- Mr. Williard reviewed the Bond Sale Document and how the payments will be real estate tax neutral due to the plan con reimbursement and consolidation savings.
- In the act 34 book the consolidation savings and expenditures are inflated, Mr. Arner stated.

Budget Line Item Hand-out:

- Mr. Feick reviewed the budget line item hand-outs and requested they look over the budgeted items for next meeting. He explained how he placed the definitions of each function and object in the budget hand-out to help with understanding the placement of the bills.
- Ms. Bowman stated when the Board Members receive the bills on line, they are coded. If they are to look at the code and refer back to the accounting codes listed it will explain the billing and to which department or building it belongs.
- Mr. Feick stated that the transportation has decreased approximately 15% due to the fuel de-escalation.
- Mr. Feick asked the committee if they would like LCCC to do a budget presentation for them as they will be asked to approve the LCCC budget soon. The committee agreed and it will be set-up for the March meeting.

Open Discussion:

- Mr. Feick stated he would like to trim the department budget a bit more. He explained that the preliminary budget has been presented. The proposed final will need to be passed as well as the final budget adoption before June 30, 2016. (see hand-out on budget timeline dates)
- Mr. Feick asked for the committee to review the budget papers and to please contact him with any questions.
- Change in March meeting: Mr. Feick and Ms. Holmes will be attending PASBO and the committee agreed to reschedule the meeting. It is now scheduled for **Monday March 7, 2016 at 7:00**. Mr. Feick will be speaking to Mr. Hauser to move the Building and Grounds meeting as well. Update: The reschedule of the two meetings has been publicized in the Times News Thursday January 14, 2016.

Reminder: February's meeting will be **Audit/Finance Committee Meeting**
Maillie LLC will be attending to present and review the 2014-15 school year audit and answer any questions the Board members may have.

Meeting adjourned at 8:20 p.m.

Next Meeting Date: February 9, 2016

BDF/rem