

**Lehigh Area School District
Finance Committee Virtual Meeting
Monday, January 11, 2021**



Finance Committee Minutes

The Meeting was called to order at 6:02 p.m.

The following Board Members were present:

Mr. Richard Beltz, Mrs. Rita Spinelli, Mr. Nathan Foeller, and David Bradley (audience)

The following Administration Members were present:

Jonathan Cleaver, Edward Rarick, and Rebecca Karpowicz

Mrs. Spinelli started the meeting with a prepared statement. Reminding everyone that this is a committee meeting and the public is more than welcome to comment at the end of the meeting. No decisions are made in the committee meeting, just recommendations. Continued to discuss treasurer duties further.

George's Transportation Daily Run Bill for Approval

Mr. Cleaver discusses the runs on the bill

Mrs. Spinelli and Mr. Foeller sees nothing wrong with the bill.

Public School Health Insurance Cooperative

Mr. Cleaver talks about the distribution of surplus funds and how we have proceeded in the past years. Bringing to the committee's attention to see what they recommend. Would help with the cash issues this year, such as transportation.

Mrs. Spinelli asks if we keep the funds in the reserve account we could use the surplus funds to pay if we were to have a critical year.

Mr. Cleaver stated that we are running approximately the same, but it is hard to say for sure.

If refunded it would go directly into the general fund

Mrs. Spinelli's preference is to receive the cash

Mr. Foeller agrees that this would be more beneficial to have the cash in hand.

Mr. Rarick agrees with receiving a refund- only caution would be that late 2020 there was a pull back on medical procedures that make place this spring and may negatively impact the district, but it is a tossup still with continued COVID issues still going on.

Mr. Beltz stated that he had no comment at this time.

Mrs. Spinelli asks Mr. Beltz if he feels that we should refund or reserve

Mr. Beltz feels we should keep in in reserve, feels that if we have the money in the bank account it is possible that it will get spent.

Mrs. Spinelli says that this is something that will go to the board.

Mr. Cleaver commented that yes the board will ultimately make that final decision.

Mr. Foeller asks if we decide to leave this in reserve can we pull it out at a later date.

Mr. Cleaver stated that he is not sure but will try to find the answer.

Mr. Foeller asks if we have a surplus there would we reduce our budget or plan the same

Mr. Rarick stated that we would plan to budget the same.

Mr. Foeller stated that he feels that taking the funds would help the district at this time

Mrs. Spinelli agrees with Mr. Foeller

Committee discusses further

Consolidation of Bank Accounts

Mr. Rarick discusses a few accounts that he feels can be closed: ACE Grant: balance \$1.35, Athletic Project: balance is \$0.00, Health Benefits: balance \$5418.34, Security Deposit \$8001.67. Balances to be transferred to the General Funds. Looking to make the recommendation for simplifying things to close those so that they are not just sitting there not being used.

Mrs. Spinelli stated that it doesn't make any sense to leave those accounts open.

Mr. Foeller agrees that this does not make any sense as well, creates more work for accounting
Mr. Beltz agrees

Simplified Board Reports

Mr. Rarick talks about the examples of board reports that he pulled from other districts in order to help the public understand and make this less complicated. Look at them and we can modify and potentially use for our district. Looking for feedback on ways to simplify.

Mrs. Spinelli stated that she was all for getting them simplified. Will the board be able to get the longer more detailed reports as well? Yes

Mr. Foeller thinks that this is a fantastic idea.

Mr. Beltz had no comments at this time.

Finance Notes - 4/9/18/-5/11/20

Mr. Cleaver recaps Finance Notes that were pulled from finance meetings in the past few years. If you go to the website, you can pull the full minutes from these dates.

Mrs. Spinelli asks if this is available to the public

Mrs. Spinelli states that we know we can let this happen again, at any moment anyone could give information that may not be correct and no one can say that this won't happen again

Mr. Cleaver stated that Mr. Rarick has hit the ground running and his goal is to not have this happen again and move forward.

District Response to Auditor General Report (Act 44)

Mr. Cleaver discusses the findings and the responses to the Auditor General Report. They went through all information in regards to transportation. Transportation report has been submitted and we are on the correct path for that. Our Right to Know was reviewed and we are in compliance with that, no reportable issues. Administrative separations, went through contracts, etc. and that we were doing everything correctly with our employees, no reportable issues. All bus driver checks, no reportable issues. Safe Schools they went through the buildings and all safety requirements were met, fire drills, security drills, making sure all was reported accurately, no reportable issues.

Mrs. Spinelli asks if we are continuing to get services out of NEF?

Mr. Cleaver replied that yes we are, papers have been sent, we have not heard anything at this time but are continuing to follow up

Mr. Cleaver discusses the findings on the report, information is listed on the screen, and also on the website for review.

Websites, Times News articles have all been included.

Mr. Cleaver continues to present to the committee

Mrs. Spinelli states that this is what has been discussed at prior meetings

Mr. Foeller commented that he did not have any questions really but feels that having the bank statements will help.

Mr. Beltz stated that he did not have any questions

Mrs. Spinelli- had a question on some of the items that were recommendations

Mr. Cleaver stated that we are looking at a five-year projection, transportation reimbursements are a discussion, cyber charter school's projection wise are off the rails, special education costs- are planning on trying to do a projection for this as well. We are working on the recommendations. Any contracts moving forward are to be presented to the board.

Committee discusses further

Mrs. Spinelli reminds the public that there is a three-minute speaking limit.

Public Comment:

Mr. Bradley asks how many people are in the current meeting, 27, he asks if he is the only one with his hand raise, no.

Mr. Bradley reads a statement

Show the people where the administration failed, three million dollars taken, wasted with NEF and should be returned to us, documentation not signed by the board, why was money wire transferred, why paying stipends to administration, why pulling money aside for benefits and then using it for building a stadium. Accounting is black and white, on paper, I seek to have a conversation with my board not just three minutes.

Ms. Bowes on the reports, could someone have put that it was not from our district, noted they were examples. Should have been noted, I would not have spent any time today looking at them. I agree it would be nice to have simplified reports as well as the other reports, as I have

taken hours to learn how to read them. The five-year plan would certainly be estimates. Would be nice to see what perhaps we could see within reason. Hopefully it will be completed soon, I want to have great faith in the new business administrator and the admin. I did spend some time today to find the article in the Times News, could not find it could you put the date that it came out in the Times News for reference. I sent an email to the committee about having the January 2015 payment of bills available on the website. I realize that it is coming up on the six years but I hope that you continue to keep this information. I have filed a right to know, I do not know if it was denied. There are three board members who have been on this board for at least a decade, I do not know why they would need to be informed as to what a fund balance is and what it is not, I don't feel they need that information. Those members voted for all those budgets all those years knowing that the fund balance would be used to balance that budget. Are we going to make our policy/policies stronger? So this doesn't happen again, it is the board's job, no issues with a mistake but issue with not learning from the mistake and continually making the same one.

2014 Wire transfer signed by the board president at that time and the business administrator. So they knew it was being made. Told that it came up as a QZAB payment, don't have the document which is why I wanted the information before this meeting. Has the new stadium been winterized, yes, then we should see a reduced bill for this year? Any idea what the reduced amount might be? Mr. Cleaver to see if he can get that information.

Another contract with Ohiopyle, in regards to Lehighton items, clothing etc.

Mr. Cleaver yes we do have agreement with Walmart in regards to this. Believes that the Giant funds might come through the A+ rewards.

This is something different and I wanted to make sure that we are receiving the funds from that program

Mr. Cleaver stated that he will check and get back to Ms. Bowes

Mr. Cleaver will also check on those bills and get back to her as well

Ms. Bowes not sure if her RTK is still open, she has not heard

Mrs. Spinelli would like to be copied on that information as well

Mr. Andrews asked why we gave three million to the NEF,

Mr. Cleaver explains what this service was, programs, STEM, etc.

Mr. Andrews is there a way this can be written so that we can understand what was received.

Mr. Cleaver refers him to the article

MOTION by Mrs. Spinelli, SECONDED by Mr. Foeller to adjourn the meeting.

Meeting Adjourned at 7:01 p.m.

