

**Lehigh Area School District
Finance Committee Virtual Meeting
Monday, March 8, 2021**



Finance Committee Minutes

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

The following Board Members were present:

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

The following Administration Members were present:

Jonathan Cleaver, Edward Rarick, and Rebecca Karpowicz

George's Transportation Daily Run Bill for Approval

Mr. Rarick goes over the bill

Mrs. Spinelli sees nothing wrong with the bill.

Mrs. Spinelli commented that she noticed several no charge items on the bill and wanted to thank Mr. George for continuing to work with us.

Mr. Cleaver commented that he does continue to work with us and is a very valued partner.

BSI -Benefits

Mr. Rarick discusses the BSI chart on the screen.

Can see the surplus currently and that we are carrying a balance

Clarification that this is in an interest account, if at the end of the year there is still a surplus we can request those funds.

AFR Status

Mr. Rarick talks about the AFR, there is no screen for this. We have been working on the statement with PDE and a plan submittal date for March 15th, 2021.

The AFR is 98% complete and we are working on two validation errors and we are working with the auditors on this.

We have a fund balance increase of 159, 000.00 for the 2019/2020 year void of those two errors.

This takes the fund balance to 1,033,437.00-caution that the sale of the schools is playing into that.

If not for those sales, we would have lost funds in the fund balance.

Mrs. Spinelli asks if we expect it to be completed by the 15th. – yes

Mr. Foeller has no questions at this time

Budget Transfer

Mr. Rarick talks about this transfer and that we are making a recommendation to transfer to the board.

Move from the tuition portion to the debt service portion for LCCC

Mrs. Spinelli asks if there was any increase in anything –no

This is transferring for accuracy within the budget

Mr. Rarick stated that lastly he wanted to touch base on what we are doing as far as a budget for the district.

Currently he is working on 2021/2022 budget with a presentation that has historical data and will allow us to have open discussions on the budget.

To date there have been meetings with buildings and grounds, athletics, special education, curriculum and grants, principals, technology department and insurances.

Goal is within the next 20-30 days to have a presentation package in part to be able to have the important discussions that need to take place. Caution that this will be a draft budget.

There is a lot of work going on for the budget and just wanted to update even though this was not on the agenda.

Mrs. Spinelli asks if he is trying to get us as close to a balanced a budget as we can – always the goal.

Public Comment:

Mr. Bradley asks why prior to making recommendations did not allow the public to make comments

Mr. Cleaver answers that this is a committee meeting

Mr. Bradley asks about the AFR that was due back in October – how long was the extension who asked for it and when was it granted

Mr. Cleaver – I requested along with our Interim business manager at the time.

Been in contact with the state in regards to this

Mr. Bradley we have several things on our budget this year, one is our contract and all the employees that are hired. Are we looking at this from the ground up or how are we looking at this, are we continuing on the path we were on consuming more than what we are taking in?

Mr. Bradley continues to talk about the budget.

Mr. Bradley asks who will be reviewing the budget

Mr. Rarick explains that we will have those discussions

Mr. Rarick and Mr. Bradley continue to talk about the budget

Mr. Bradley states that it appears that the proceeds from the building sales are not being used against the principle payments as the board approved and went to the general funds.

Mr. Rarick states that he has been here since December along with the interim business manager are trying to help and get the district to a better position, I cannot answer to what has happened before I was here and grasping at answers would be foolish

Ms. Bowes asks on August you passed motions to look into refinancing the bonds

Mr. Rarick states that he was on with PFM there is a window where those things take place, there was some hesitation from the board and therefore it did not go further.

We would need to talk to them again and look at the details

Ms. Bowes was wondering what they came back with as far as interest rates, etc.

Ms. Bowes talks about this further.

Mr. Rarick said that PFM offered to make another presentation

Ms. Bowes asks about where the agenda information was.

Mr. Stern points out about BSI – January board meeting was spoken about the funds from the previous year – have we received this?

Mr. Rarick stated that this is in the general fund

Mr. Stern states that there are multiple adjusts made to budget, district not having a business manager for many months is one of the reasons for filing the extensions.

Mr. Stern states that from a budget perspective that you for having those meeting with departments and having a ground up approach. What are the mandates and what can we do above that and how can we work that out? Thank you

Mrs. Spinelli states that the AFR cannot be published until it has been audited. Have you spoken to the auditors to see if they could come earlier so that we are not always behind in this process?

Mr. Rarick says he has spoken to them and they are in agreement to come earlier and coming into the fall we should be audited earlier.

Mr. Cleaver explains the location of the agenda items and enclosures to go with them.

Mrs. Spinelli agrees

Meeting Adjourned at 6:33 p.m.