

**Lehigh Area School District
Finance Committee Virtual Meeting
Monday, November 9, 2020 at 6:00 PM**



Finance Committee Minutes

The Meeting was called to order at 6:00 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 and Rebecca Karpowicz

George's Transportation Daily Run Bill for Approval

Reviewed the September/October Transportation bill. Mr. Cleaver stated that the blacked out line was a student's name so that is what you see. We did start the am pick up today and approximately 10 students for each run. Mr. Foeller has no further questions on this bill. Rita – none for me as well.

Cyber School (PSBA Cost Update)

Mr. Cleaver – you may have seen the article on the Charter/Cyber schools. I will forward this to the board, thought it was important for the board to see. Estimating that 475 million dollar related charges overall to the cyber schools. Based upon tuition rates etc. Projecting that school districts are expect to pay. Example Carbon County, 2.92 million dollars increased in the county. Several resolutions out there calling for reform and take a look at it in the future. Not about offering the program but the cost of the program to school district and tax payers. Is it correct that you get the articles Mrs. Spinelli and Mr. Foeller? Yes, they do. Mr. Foeller, you mentioned that not only the enrollment is increasing but the rate at which we pay them is increasing as well. Mr. Cleaver, yes also there is a broken down cost over the summer as well and if you don't pay the state will hold your basic ed. funding. So we may disagree on the amount of time a student was there, etc., they are getting the money regardless. Mrs. Spinelli we are not trying to get rid of Cyber schools just trying to make it a fair playing field. Parents say the money follows the child, yes it does but if the money is more then what the money then we can do it for in our own district it leaves a great disparity between the money we can spend on our kids. It's the fairness.

Budget Update/Discussion

Mr. Surridge budget discussion and what we need to do to get prepared for the 2021-2022 year. Added a little to the cyber school conversation.

Two things to talk about for next year about the budget, budget process is 9 out of 12 months a year. the items that are important. End of December Homestead/Farmstead, district is required they go out every year for taxpayers currently on the rolls. Not availing themselves, this is their chance to submit in a timely manner, handle internally with the tax collectors. Number two is the Act 1, passing of the resolution. Formulas that are put out by PDE, cap as to what the district can raise the mileage, out for

Leighton it is 4.2%, translate to a little more than 2 mils. Pass that resolution, that is the window of accumulating the information to pass the budget. Pass the resolution on the December agenda.

Mrs. Spinelli – we are on track with the deadlines and where we stand financially?

Mr. Surridge is looking at the financial stuff, list of questions, we are sitting here in a better situation, lot of conversations that go on with the financials of the district we are on the right path. Back on the right track.

Audience discussion with:

Mr. Bradley- yes, I had my hand raised about the George's transportation- so we are all eager about maintaining privacy, what software did we use to redact that name from the bill what was used?

Mr. Cleaver – a fine point sharpie.

Mr. Bradley- so we don't have the software, you agree that it is important to redact this names

Mr. Cleaver – yes a good faith effort to redact theses names.

Mr. Bradley – you agree the goal is to not be able to read these names once it is redacted, correct?

Not getting an answer to that- no response. Ok I can tell you that I can read that name on my screen, sharpie not working for you, did you know that you can read it?

Mr. Cleaver – thank you for that notification. I am unable to read it.

Mr. Bradley- on to the Charter school situation, understanding that it is part of our governance, I don't see why we are not supporting and helping our students at those schools.

Mr. Cleaver – they are not under our jurisdiction

Mrs. Spinelli- we have no Charter schools under our district.

Mr. Cleaver if it was a brick and mortar charter school it would be in that district.

Mr. Bradley – you are looking at budget updates; Joe can you please explain to this board doing the AFR by October 31st. for data ending June 30, 2020. We just have to make sure we file it. Does the district not have this information?

Mr. Surridge- I can respond to that, actually you are correct that the initial filing would be October, there is an extension on that to November. You can actually have a written extension as far as into December. The AFR right now is part of the audit process.

Mr. Bradley our district has been late our last one was dated March and the district can be fined up to \$300 a day. I know that you are jumping in here. Is there anything that you don't in order to complete this.

Mr. Surridge- no, I do need to have further discussions with the auditors to see where they area.

Mr. Bradley – thank you and as far as budget goes we the board have to received anything. Has anything been given to others?

Mr. Cleaver- no other information has been given out other then what you are getting in board meetings.

Mr. Bradley we should be keeping an eye on the budget monthly and receiving this information.

Mrs. Cleaver – you are getting complete bank statements and information on all of the district's financial areas. You are getting more information than any other school districts in the state of PA

Mr. Bradley – I am so glad you came around to finally lawful transparency. I am speaking to the committee where it is important to understand where the check is written and why was it written and what department it is being assigned to. This prevents corruption, reducing expenses would be a function of understanding why. I believe that Joe has experience with this at the Jim Thorpe School District and the where things we allocated to properly. We may have some of those issues within our own district according to the AG report. Still missing payroll documentation. Not getting accurate payroll provided for services provided. Should be done monthly. Someone is finally trying to hold this government accountable and we should be doing a better job of holding this board accountable.

Ms. Bowes – I have a couple of comments on the cyber costs – my understand is it is approximately 70% of what the district spends to educate a child.

Mr. Cleaver – I don't know that that is accurate. Joe do you know? there is a funding formula

Ms. Bowes- the district is retaining approximately 30% and paying out 70%. On the Georges bill does that include fuel?

Mr. Cleaver – fuel is part of the contract there is not separate bill unless gas would go sky high.

The Meeting was adjourned at 6:35 p.m.

JJC/rpk