

**Northwestern Lehigh School District
6493 Rte. 309, New Tripoli PA 18066
SPECIAL SCHOOL BOARD MEETING
District Board Room
Wednesday, May 7, 2014, 7:15 PM**



MINUTES

1. Opening Procedures

1.01 Call to Order

The Special meeting of the Northwestern Lehigh School District Board of Directors was called to order at 7:15 PM by President Darryl Schafer.

Opening Exercises

Opening exercises and roll call as listed below followed.

1.02 Purpose for Special Meeting

The purpose of this meeting is to take action on the Proposed Final 2014-2015 General Fund Budget. Public Notice was published in the *Morning Call* on March 12, 2014.

1.03 Roll Call

PR/AB

PR	Willard Dellicker	PR	Ronald Morrison	PR	LeRoy Sorensen
PR	Paul Fisher	PR	Joseph Reiter	PR	Phil Toll
PR	Todd Hernandez	AB	Greg Sanders	PR	Darryl Schafer

Also Present:

Raymond Nemeth, Shelly Moyer, Lori Barnett, Elsa Kerschner (press), Arthur Oakes, Luann Matika, Christine Stafford, Jennifer Holman, Mary Anne Wright, Nancy Zellner

1.04 Approval of Agenda

The agenda was approved as presented.

Moved: W. Dellicker

Seconded: P. Fisher Vote: 8 Aye, 0 Nay

1.05 President will welcome guests

1.06 President will offer courtesy of the floor for public comment

There were no comments

2. District Finances

2.01 * Approval of proposed final 2014-2015 General Fund budget and supporting tax levies for Northwestern Lehigh School District as follows:

a. Budget Expenditures	\$39,391,617.00
b. Local tax levies	
Real Estate Tax	15.9631 mills (0 mill increase)
Earned Income Tax	1% (net .5%)
Real Estate Transfer Tax, Act 511	½% for each of 4 townships
Local Services Tax	\$10

Dr. Wright commented on budget preparation, process and timeline for the 2014-2015 General Fund Budget. Christine Stafford reviewed changes made to the budget since the April budget presentation. Dr. Wright noted the budget maintains programs and class sizes within or close to the guidelines.

C. Stafford noted based on estimates, use of fund balance is appropriate to balance the budget including items that have not been finalized at this time. Two items have been removed from the budget (\$50,000 for server replacement, \$80,000 for EBP payment). C. Stafford shared information to clarify questions regarding salaries paid for from the Title 1 Grant. She explained revenue from Gaming funds and noted those funds are distributed back to the taxpayer as a reduction on their real estate tax bill. Information from Lehigh County shows that gaming revenue for Homestead/Farmstead tax bill reductions will be the same as last year.

C. Stafford noted a shortfall in the budget of approximately \$2,032,913 and noted the appropriate use of Fund Balance. R. Morrison asked if the adjustment for the TIF and real estate transfer tax is included in this budget. C. Stafford and M. Wright stated the

transaction would be recorded when it is received and the money would go into fund balance when the yearly audit is completed. P. Fisher commented on the appropriate time the Board would take action to designate where to allocate excess fund balance. Board members discussed fund balance and designated fund balance.

C. Stafford reviewed the timeline for final budget approval. The Proposed Final 2014-2015 budget must be on display for public inspection for 30 days before final approval. M. Wright noted she would be holding a final staffing meeting next week and will be able to adjust salaries by those recommendations.

R. Morrison commented on information on page 12 and requested a column showing projected stabilization fund balances. P. Fisher commented on R. Morrison's request. W. Dellicker spoke on projecting how far out use of fund balance would last. M. Wright asked if the Board would like this document changed to include R. Morrison's request.

P. Toll had questions regarding the professional development category. He also recommended EIT be increased by 1 to 1.5%. The Board discussed the recommendation. L. Sorensen said he doesn't see much increase in local incomes. The Board did not support increasing EIT revenue projections. The Board agreed that the fund Balance should include the recommended allocations for the 2014-2015 budget.

A motion was made by W. Dellicker, seconded by T. Hernandez, for approval of the Proposed Final 2014-2015 General Fund Budget. P. Fisher noted that in the documents presented, the shortfall looks like it is going to be made up by a millage increase. He asked for clarification. C. Stafford stated the shortfall will be made up from Fund Balance. The PDE 2028 form that must be filed with the State does not show any increase in millage. Page 6 shows the maximum millage increase allowed. R. Morrison and P. Fisher requested copies of the official document. W. Dellicker noted the agenda item is what we are approving. Board members commented they want to be sure the budget book matches the PDE 2028. C. Stafford amended page 6 in the budget book to clarify the use of fund balance to show no increase in millage. W. Dellicker called the question. A roll call vote was taken to approve the Proposed Final 2014-2015 General Fund Budget. The corresponding PDE 2028 will be posted for public review and inspection for 30 days with an anticipated final budget approval on June 18, 2014.

Moved: W. Dellicker

Seconded: T. Hernandez

Vote: 8 Aye, 0 Nay

AYE	Willard Dellicker	AYE with the change	Ronald Morrison	AYE	LeRoy Sorensen
AYE	Paul Fisher	AYE	Joseph Reiter	AYE	Phil Toll
AYE	Todd Hernandez	AB	Greg Sanders	AYE	Darryl Schafer

3. Old Business

None

4. New Business

L. Sorensen had a question on the timeframe of final payoff of all current bond issue. M. Wright responded that if there are no new bonds issued, it would be approximately 2030.

5. Communications

5.01 President will offer courtesy of the floor for public comment

There were no comments

6. Adjournment

Upon motion by J. Reiter, seconded by P. Toll, the meeting was adjourned at 8:30 PM.

* Discussed in Committee Meeting

Respectfully submitted,

Greg Sanders, Secretary
By N. Zellner, Recording Secretary