



## **Board of School Directors Committee Meeting Minutes Wednesday, May 8, 2024**

*Generated by Renai Cardillo on Tuesday, May 14, 2024*

**Members present:** William Brong, Janet Flisak, William Formica, Ken Keith, Andrew Landis, Stephen Nelson and Kimberly Wheeler.

**Members absent:** Michael Barnacz and Nicholas Braccio

**Others present:** Frank Ball, Lisa Ball, Frank Gallagher, Christopher Hey, Katie Kennedy-Reilly, and Megan Zweiback

### **1. Finance Committee**

#### 1.1 Review 2024-2025 Special Education Shared Service Plan with MCIU

Mr. Nelson called the Finance Committee Meeting to order at 6:30 P.M. He noted that there were five items on the agenda, all of which required approval to move forward for board action.

Superintendent Gallagher thanked the board and administration for their support on the recent passing of his father.

Superintendent Gallagher introduced the Montgomery County Intermediate Unit Special Education Shared Services Plan. He explained that these services are provided to students whose needs are unable to met by our own faculty and staff.

Director of Business Affairs, Mr. Taylor explained that the plan is an annual cost plan of special services provided by the M.C.I.U. He noted that some of the charges are hourly and some are individual service related. Those details have been provided to the Board of School Directors.

Superintendent Gallagher noted that Director of Pupil Services, Mrs. Zweiback, and her team have been working through the plan and have determined that some students will receive these special services in-district rather than at out-of-district placed schools.

Mr. Nelson commented that this is an area that the Board reviews on a regular basis and will continue to be an item of review.

A member of the audience noted there are no questions because they are unable to view the document. Mr. Taylor responded that it is a list of hourly rates of services.

The Committee agreed to move forward for approval.

#### 1.2 Approve Fox Rothschild as District Solicitor for 2024-2025

Mr. Taylor stated this is the annual approval of the school district Solicitor agreement. He noted a small increase in the agreement.

The Committee agreed to move forward for approval.

#### 1.3 Approve Sweet Stevens Katz & Williams as District Special Education Counsel for 2024-2025

Mr. Taylor stated this is the annual approval of the school district special education legal counsel agreement. He noted a nominal increase in the agreement.

The Committee agreed to move forward for approval.

#### 1.4 2024-2025 Budget Update

Mr. Taylor stepped to the podium to present the Budget Presentation which was projected on the screen. Finance Committee Chairperson, Mr. Nelson noted that the presentation is also posted to BoardDocs.

Mr. Taylor stated that the budget presentation includes revisions last presented at the April Finance Committee meeting. He noted that the final budget is scheduled for approval in June and the process of reviewing and updating the budget will occur up to that time.

Mr. Taylor indicated that grant funding does impact the budget and was pleased to report on the Pennsylvania Commission on Crime & Delinquency (PCCD) Meritorious and Competitive grants of which the district received \$45,000 which will be used for camera upgrades and \$177,048 for mental health services including 1 full time long-term substitute counselor, 1 full time school psychologist, Spanish language counseling and MCIU Mental Health Assessment.

Mr. Taylor also noted that Director of Pupil Services, Mrs. Zweiback and her team put together a very competitive application, awarding \$257,344 to the school district for safety and security upgrades. He also noted that only one other district in Montgomery County received an award. Mr. Taylor also noted that cameras are no longer considered a luxury but a necessity for security.

Mr. Taylor reviewed the slide showing the current Act One Index of 5.3% and the school district tax rate history.

A Local Revenues slide was presented showing a decrease in real estate interims and real estate transfer taxes. Mr. Taylor noted that earned income is still out pacing last year and per capita remains steady. He commented that while earnings on investments is also steady, we remain conservative as it is still a moving target for revenue.

Mr. Taylor reviewed a slide outlining the Governor's Proposed Budget which proposes increases in basic education funding and special education funding. It also proposes reform to the cyber charter funding formula, which if passed would be a benefit to school district's budgets. Mr. Taylor also noted that while increases are always welcome, the increase to special education funding would still not be enough to support the rapid increase in costs.

Mr. Taylor noted that federal revenues which include Title and Access monies are expected to be the same as the current school year budget.

Mr. Taylor stated that as budget work continues; the following sources of revenues will continue to be monitored; local revenue, real estate tax collection, as well as the continued effort to maximize investments for interest earning.

A slide outlining future expenditures was presented noting potential areas of savings; review of staffing positions and factoring in retirements, medical benefits trends, cyber enrollment changes, the proposed Governor's budget, and the individual needs of special education students.

A final slide was shared which reflected a current deficit of \$2.9M with a millage increase of 5.3%. Mr. Taylor reiterated the work that will continue to refine the budget prior to the next Committee Meeting on June 12 and final budget approval on June 26, 2024.

Mr. Nelson commented on the importance of contacting legislators and encouraging their participation and advocacy to reform the fair funding formula.

Mr. Formica expressed confidence in the budget process, indicating awareness of the work going on behind the scenes.

Mrs. Flisak congratulated the team for their work on the grant and asked about the proposed staffing positions to serve mental health needs. Mrs. Zweiback responded that the school psychologist and counselor are currently on assignment and is the staffing is not a new position, but will support the costs of the psychologist while they are working in that role.

Mrs. Flisak reiterated concerns regarding cyber charter funding and the fact that there is no difference in the costs to school districts as it relates to brick and mortar schools and cyber-charter schools. Dr. Gallagher stated that it is not an effective use of funding to support a cyber-charter school when school districts have proven that they can provide the same services (virtually and in-person) for much less.

He also stated that cyber charter academic results are lower than those of a brick and mortar school. Dr. Gallagher also noted his recent advocacy in Harrisburg to change the funding formulas and encouraged the public to contact their legislators regarding the fair funding formula.

Mrs. Flisak also commented on the management of the school district's debt service, allowing it to maintain and improve its facilities. Mrs. Flisak acknowledged the work of Mr. Ball, PFM Management and fellow Board members. Mr.

Keith also acknowledged the debt service, noting smart relief is coming. He suggested that specific questions be addressed to Mr. Taylor to better understand the process.

Mr. Nelson also commented that planning and expertise with consultants helps to maintain and take care of facilities. He also thanked previous Board members for their forethought in planning the debt service.

Other questions regarding the budget came from Mrs. Wheeler regarding the guidance counselor position and Mrs. Zweiback confirmed that it would be a certified counselor. Mr. Landis expressed concern about the real estate transfer taxes and Mr. Taylor responded that while there appears to be a lot of new development, the volume of sales has slowed. Dr. Gallagher noted that commercial development has increased but the housing market remains very tight for purchases.

Mr. Nelson noted a correction to the budget calendar that was included in the slide; June 26 is the date of the Board Action Meeting when the final budget is anticipated for approval.

A member of the audience asked about the preliminary budget slide that included TBD. Mr. Taylor explained that the TBD is based upon what revenues would be generated dependent upon the approved tax increase.

Mr. Nelson stated that the presentation was posted on BoardDocs prior to the meeting.

A member of the public asked for budget talking points for their legislators. Dr. Gallagher acknowledged the request.

The same member of the public asked about changes to programs for students with special needs and Mr. Taylor stated that the Board has directed no changes to programs. He also noted that the school district is attempting to add its own staff instead of sending students to remote locations to receive services. Students who are better served in other educational environments will continue to receive those services.

A member of the public asked what happens if the school district is unable to get to zero budget balance? Mr. Taylor said the fund balance can be utilized to balance the budget, however the goal is to not to use the fund balance to do so.

#### 1.5 Approve 2023-2024 Budget Transfers

Mr. Taylor stated that this is a standard request to transfer funds from one budget account to another to correspond with actual spending. This is accounting protocol, keeping the district in compliance with regulations and there are no changes to amounts in the transactions.

The Committee agreed to move forward for Board Action.

Mr. Nelson adjourned the Finance Committee meeting at 7:18 P.M.

## **2. Operations Committee**

### 2.1 Update on plans for West Broad Elementary Renovations

Operations Committee Chairperson, Mr. Brong called the meeting to order at 7:21 P.M.

Mr. Brong stated that this evening's agenda is to provide an update on the proposed renovations at West Broad Street Elementary School, noting that architectural firm GKO, Mr. Joe Messmer was in attendance as well as ESCO firm, ICS, Mr. John Young was also present this evening.

Dr. Gallagher interjected that the current Oak Ridge Elementary School brick facade project is well on its way and Mr. Formica also commented favorably on the brick restoration.

Mr. Taylor introduced Mr. Messmer and opened the slide presentation which depicted the proposed site plan updates as well as the overall floor plan update. Mr. Taylor noted this early collaboration between GKO and ICS has enabled the plans to be fine tuned with very few changes.

Mr. Messmer commented on the Oak Ridge project stating that it is going very well.

Mr. Messmer reviewed slides which showed exterior rendering of the West Broad Street site. He gave a schedule update that reflected approval from the Franconia Township Supervisors on April 15. He noted that the Act 34 Hearing is scheduled for August 14 and Final Land Development Approval is anticipated on October 7.

GESA Bids would be received by October 29 and public bids received by November 19. Board Approval would be scheduled for December 2024. This time table would allow construction to begin in Summer of 2025 and be completed by Summer of 2027.

Mr. Taylor noted that zoning approval will be sought for an illuminated outdoor sign similar to what had been installed at Franconia Elementary School.

Mr. Young from ICS expressed gratitude to be a partner on the project able enabling the planning to work efficiently and effectively. He indicated that ICS has been in the energy procurement industry since 2004 and has done similar projects with neighboring school districts.

Mr. Young stressed the importance of having a boots on the ground partner, communication and the refinement of the scope of work, all to bring value to the bidding process.

Mr. Brong thanked Mr. Young for the update and Mr. Formica commented positively on the timeline.

Mr. Nelson commented on grant opportunities for the project and Mr. Taylor responded that grants are being pursued by both ICS and Site LogIQ on all of our projects. Mrs. Flisak asked about the grant process and Mr. Taylor responded that ICS would make the application and results would be available prior to the start of any project.

Mr. Taylor noted that at the August Finance Committee meeting, the district's financial advisor, PFM would be in attendance to outline the detailed borrowing for the next phases of funding for the project/

A member of the audience asked about the roof at West Broad Street Elementary School and Dr. Gallagher noted that the roof at West Broad Street is a newer roof. Mr. Taylor noted that lessons have been learned, and the district is working with roofing consultants prior to starting the project.

Mr. Brong adjourned the Operations Committee Meeting at 7:53 P.M.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Michael Taylor".

Michael Taylor, C.P.A.  
Board Secretary / Director of Business Affairs