



COMBINED WORK SESSION AND BOARD MEETING

05/06/2024 [07:00 PM-09:00 PM]

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1. Call to Order

Minutes

The meeting was called to order at 7pm with the Pledge of Allegiance.

2. Pledge of Allegiance

3. Roll Call

Minutes

All members present.

4. Information Only

4.a. Student Liaison to the Board

Minutes

Alex Baturin gave an update on the student happenings in the buildings.

5. Agenda Approvals

5.a. Approval of Agenda

Minutes

Mr. Gale made a motion, seconded by Mr. Lamay, to approve the agenda. The motion passed unanimously.

5.b. Minutes from the Previous Meeting

Minutes

Mr. Gale made a motion, seconded by Mr. Lamay, to approve the minutes from 4/8/2024, 4/15/2024, and 4/29/2024 meetings. The motion passed unanimously.

5.c. Bills List

Minutes

Mr. Gale made a motion, seconded by Mr. Lamay, to pay the bills. The motion passed unanimously.

5.d. Treasurer's Report

Minutes

Mr. Gale made a motion, seconded by Mr. Lamay, to approve the treasurer's report. The motion passed unanimously.

6. Report to Officers and Others

6.a. President

Minutes

Mrs. Gurgiolo announced there was an executive meeting earlier this evening with the Budget and Finance / Personnel Committee to discuss a personal matter and there was also an executive meeting of the whole School Board to discuss Safety and Security and the Superintendent's goals.

6.b. Secretary

Minutes

No report.

6.c. Solicitor

Minutes

No report.

6.d. Superintendent

Minutes

Mr. Serfass reminded community there is information on upcoming events included in Blackboard messages and on the District calendar. Enrollment has remained steady at 1240 students over the last three months.

Mrs. Gurgiolo inquired about a femal wrestler that was invited to compete at a national competition. Mr. Ziegler responded stating Kiara Vilanova Medina was invited to compete but he did not have details at this time.

7. Discussion Items

7.a. Policies

Minutes

Mr. Serfass reported the following policies are provided as a first read and will be brought forward again to the June Work Session as a second read: 200 Enrollment of Students; 201 Admission of Students; 202 Eligibility of Nonresident Students; 204 Attendance. He continued to state the following policies were

discussed at the April Work Session as a first read and are bring brought forward tonight as the second read for vote at June 10th Board meeting: 203 Immunizations and Communicable Diseases; 210.1 Possession/Administration of Asthma Inhalers/Epinephrine Auto-Injectors; 309 Assignment and Transfer. There is no budget impact and there has been no public comments received since the first read/posting.

7.b. Disposal of Items-1st Grade

Minutes

Mr. Serfass reported per Policy 706.1, administration recommends disposal of the titles attached because the following provisions: the property or equipment is considered out-of-date, obsolete, or in unusable condition; the property or equipment is in quantities exceeding any possibility of effective use by the district. Administration will explore the most appropriate "Methods of Disposal" of the following: donated to charitable organizations, non-profits and/or other public schools; or discarded or recycled in accordance with all applicable laws. This has been brought forward through the Curriculum and Extracurricular Activities Committee.

7.c. Personnel Report

Minutes

Mrs. Martin reported the new hire of a reading specialist and the resignation of a maintenance person.

Mr. Lamay inquired about exit interviews for personnel resigning/retiring. Mr. Serfass stated each employee is offered an exit interview. This employee's exit interview is on Monday (May 13).

7.d. 2024-2025 General Fund Budget

Minutes

Mrs. Gurgiolo stated the attached recommended preliminary 2024-2025 budget is based on a 5% real estate tax (Act 1 Index is 5.3). This conservative budget does not include funding for the needed support for the athletics trainer and Lion Academy support. Attached are the: 2024-2025 Camp Hill School District Preliminary Budget, the Resolution authorizing the proposed budget, and the Homestead Notice for 2024 delineating the aggregate amount of property tax reduction received from the State and the average of \$192.36 of Property Tax Reduction per approved homestead.

Mrs. Gurgiolo began with the following comments: first, she believes that budget is responsible but still a little nervous that it doesn't include the funding needed to support the athletics trainer and the Lion Academy; second, there are several factors that negatively impacted suggested costs and revenues, such as increase in healthcare costs and the loss of us are funding; and third, the District has been fortunate that coming to Camp Hill School tax increases have been relatively moderate sometimes equal to Act1 index and other times well below allowable level.

Mr. Gale asked total cost for the support for the athletic trainer in the Lion Academy support to which Mr. Serfass replied estimated \$30, 000 for both. Mrs. Gurgiolo asked if going to 5.3% would cover these costs, Mr. Serfass confirmed and Ms. Bowen asked if both were ongoing annual expenses and Mr. Serfass confirmed.

Mr. McInroy asked how these positions would be paid for if not by the Act 1 index. Mr. Serfass stated District has been reaching out to Charter school families and encouraging them to return to Camp Hill either in person or by enrolling into Lion Academy or a hybrid version. Mr. McInroy asked enrollment Cyber school numbers prior to Covid to which Mr. Serfass replied the high-20s and District has budgeted for 31

students, the same budgeted number as last school year. Mr. McInroy asked the budget impact if one of the twenty-seven students returned and Mr. Serfass replied between \$15,000-30,000 depending on needs of student. Target is 3-4 students but that number is unknown. Initiative is ongoing and until 2024-25 school year starts, the number will remain unknown.

Mr. Connelly asked if the preliminary budget 5% real estate tax could change between now and that June is when Board votes for final budget. Mr. Gale confirmed. Mrs. Gurgiolo clarified with Solicitor what the Board votes on tonight must sit with public for 30 days and Mr. Pahowka confirmed it has to sit for 30 days for public inspection. If there were changes made tonight, it would have to sit for another 30 days for public viewing before a vote could take place.

Mr. Lamay asked if 5.0% is voted on tonight, and in June there's not an appetite for that, can Board change the motion and reduce it to a lesser amount or a greater amount without the waiting period and Mr. Pahowka stated yes. Then he stated he misunderstood the question and corrected his statement. He clarified that it is possible before the final budget deadline in June tonight in the past you would authorize the proposed budget to be available for at least 30 days for public inspection or more before the final budget is adopted in June. The Board would have authority to make adjustment if it would choose to do that in June and adopt a final budget.

Mr. Gale stated his understanding there must be a preliminary budget in place for 30 days but that does not have to be passed as the final budget. Mr. Pahowka confirmed. Mrs. Gurgiolo clarified the vote in June could be lower or higher and it would not have to sit for another 30 days and Mr. Pahowka confirmed. Mrs. Gurgiolo stated there would be no special meeting in between to make the June 30th deadline. Mr. Pahowka stated no, tonight adopting a proposed budget to sit for 30 days for public inspection but in June that is the final budget and can be different than proposed budget. Mr. Gale stated no action can be taken on final budget unless preliminary budget sits for 30 days.

Mr. Connelly stated the preliminary budget is the same thing as the proposed budget. Which is why there are two titles on the agenda in the budget proposal.

Mr. Lamay thanked everyone for the work put into the budget and the predecessors of the Budget Finance Committee. There's a lot of data here and I tried comparing the years of budgeting with all the data that's there. He stated he is unsure if all of the questions are formulated in his mind to ask at this time but that he wanted to reiterate that District has been able to balance the budget and end up with surpluses even though there have been scheduled deficits for the past several years with much lower tax increases. He will stand by his previous remark that to Mr. Gale that Board hired superintendent and business director to do all of the work and put it in front of Directors.

Mrs. Buchs echoed Mr. Lamay. She stated trying to compare this budget with previous budgets is difficult due to the amount of change and shifted with regard to what has been seen and expected in increases or windfalls based on Covid. In this current year, District has under budgeted and had to adjust or correct in this upcoming year's budget leaving a lot of unknowns from the result of the past three years. And although District has been able to balance the budget been fortunate in some of those areas where excess funds were found and concerned moving forward to budget conservatively. She feels confident this is being down. Holding the line down the middle and feels good about where we are and where we are going.

Mr. Gale stated he is going to miss the June meeting and wanted to make the following comments: District needs to balance the budget. There is a legal requirement to do so and several ways of accomplishing. Taking money from the fund balance is one way and another way is to ask for the increase in the spending and he has seen it done both ways. In his experience he doesn't want to see the fund balance used. The index is a reasonable conservative estimate of what additional funds school districts are going to need to

balance their budgets and he thinks Board needs to take a multi-year approach. If Board doesn't look forward, there is a \$400,000 difference so questions need to be asked now how District is going to make up for that deficit in the next few years. Surpluses are great but cannot be counted on as unexpected things come up. Surplus needs to be taken into fund balance and designated for future maintenance and spending or District will have to borrow that money. Which we are not taking money from fund balance this year. He stated it is easier to not tax to the index but he feels although this is the hard thing to do he also feels that would be the fiscally responsible thing to do and often not using the index number is often not the fiscally responsible thing to do.

Mr. Lamay stated Mr. Serfass circulated a table last week after the work session with the what was budgeted and what was actualized from 2015-16 through 2022-23 school years and it is not an insignificant swing in what was budgeted and was realized. There were several reasons for it and there were some transfers but its not tens of thousands, its hundreds of thousands and even millions of dollars that the fund balance has grown over the past several years. He doesn't think this is a bad thing. Mr. Ammerman had a philosophy of "lumpy" purchases or one time expenses that could be paid out of fund balance if not ongoing expense. I am not opposed to balancing the budget and paying bills and we can't lower taxes by stealing from fund balance but if there are one-time expenses that are not going to reoccur he thinks it is very appropriate to take from fund balance because like compound interest, if you raise taxes by X amount one year, the next year the percentage grows annually. If you have "lumpy" or one time purchases and you take from the fund balance, you do not have to raise the money via taxes for that particular expense. He used the example Mr. Serfass gave at last week's special meeting with the \$75,000 for the Leader in Me Program. District has previously paid with Esser funds but no longer available and there is a \$75,000 balance. This is a "lumpy" purchase. As he understands the tax increase each percent represents \$150,000 of increased revenue coming from multiple sources so \$75,000 would represent one half of one percent. From last week's meeting, the recommendation was to raise taxes 4.6% we're at 5% now that's almost half of a percent which is right about that \$75,000. His suggestion is to take the \$75,000 out of fund balance and apply it to the budget and lower the tax increase by half percent to 4.6% as he thinks a sound practice would be to take those one time expenses and take them from fund balance so they do not build on themselves. Mr. Gale said that he does not disagree with that and his point was this budget cannot be looked at only a one year budget but as a continuum. Specifically the continuum two years from now when District is looking at \$400,000 because once the District gives up some percentage of that its gone and cannot get it back. He stated this is why he is cautioning to give up too much of the index this year. He continued to say sometimes the salary increases are not necessarily in sync with the index. Previously the salary increases were at 3% in a multiyear contract. Now, with the new contract, in a couple of years the salary increase is 4.25% and the index is forecasted to be lower than that so there are lagging indicators. District has entered in to long term contract that is going up and the index is not.

Mr. Lamay stated back to the point he made last week, even though salaries were at 3%, the District was balancing the budget for the last 4 years with just about half of the index so the index and salary increases are not necessarily apples to apples but recognizing it will continue to drive the budget. The fact we keep budgeting conservatively as high as we think we need and we keep growing the fund balance, at some point the opposite is true. We can't keep taxing to the index and build up fund balance without an explanation as to why we are building up the fund balance. Mr. Gale stated last year the District came in significantly under the index and Mr. Lamay stated District has not actualized last year's budget. Mr. Serfass confirmed. Mr. Gale stated another problem with budgeting is District will not know where its stands until after we budgeted, nor with the state until after we budgeted.

Dr. Mallah stated in the working documents, even 5% brings District at a little bit of a loss if the predictions are correct because of salaries and other benefits. Salaries are going up and we expect benefits will be going up within the next few years and the index is going down. The way this is structured, District will

probably not add to the fund balance this year if at 5%. But she agrees with 5% versus going higher even though District does not have the actuals available.

Mr. Lamay stated the spreadsheet shared by Mr. Serfass last week, over the past 8-10 years we have scheduled/we've budgeted for a deficit and it has swung not just to cover the budget deficit, not just balance it, but it increased... in 2015-16 we had \$380,000 scheduled budget deficit and came in 1.4/1.5 over. He thinks even though scheduling a deficit budget, there is a conservative effort in the budget created to make it appear that way but history has shown we have made up that deficit when it is actualized but came out ahead--sometimes thousands and at times, over a million dollars.

Mrs. Gurgiolo asked Mrs. Martin, based on their conversation earlier in the day, when there is a surplus and it is put into reserve for construction or maintenance or other things, at this point if we are looking for big future projects we cannot borrow for another 20 years. Mrs. Martin confirmed. So planning for these projects we have to consider this. Mrs. Buchs stated this was her concern. She discussed roofing project and full day kindergarten among other needs for the future needs of students to be budgeted for now. Mr. Lamay agreed stating we need a plan. She agreed and stated District needs to be anticipating all monies received from revenue perspective alot has to be allocated towards that.

Mr. Connelly confirmed the one time \$480,000 for CTC coming out of fund balance. Confirmed. This year the fund balance generated \$500,000 so it is a wash. He is supportive of the general movement due to nature of Act 1 index and discussed the last few years of Act 1 indexes comparable to District's tax increases. He thinks Act 1 is fair but concerned with community members on fixed income. He also stated it is an investment in real estate explaining how the real estate properties increased in national homes at 6.4%, in PA at 6.8% and in Camp Hill 12.5%. He stated he thinks the school is the driving force behind the increased numbers in real estate value.

Ms. Bowen stated with one time purchases, District should always look first to general fund. Her concern is since Covid, businesses' budgets in general are unpredictable and she believes there are still salaries wars occurring and we need to stay competitive with teacher salaraies, especially considering the changes occurring in the District. In reference to the \$75,000 it makes sense to do that from the fund budget but District would still be \$40,000 short in covering cost of Lion Academy support and athletic department. Due to not knowing what grants may be coming in and already being at 5% and not knowing if positions may need to be added due to the changes in District, she does not believe in the past 4 years history can be a good indicator to make future decision on budgets and working in a deficit now makes it scarier for her than it may have been a few years ago when forecasting a budget may have been more predictable.

8. Report of Committees

8.a. Athletic - Mr. Gale

Minutes

Mr. Gale stated there is a meeting is scheduled for May 23, 2024 at 12PM.

Mrs. Gurgiolo added last Thursday the first unified Bocce practice was held. Mr. June is looking for a playing space for the games to be held.

8.b. Budget & Finance / Personnel - Mrs. Buchs

Minutes

Mrs. Buchs stated April meeting was canceled but a special meeting was held on April 29 in its place. Next meeting is May 29th at 8am.

8.c. Building & Grounds - Mr. Lamay

Minutes

Mr. Lamay stated the next meeting is May 28th at 7:30am.

8.d. Community Engagement / Governmental Relations - Dr. Mallah

Minutes

Dr. Mallah stated the next meeting will be May 16th and CAC for DEI discussion items will be discussed at that time.

After Mr. Connelly gave update on Curriculum and Extracurricular Activities Committee, Mr. Lamay asked Dr. Mallah, with all the college events occurring at this time around the country in regards to anti-Israel protests and not knowing the percentage of our District's Jewish population, has there been any activity at Camp Hill or local region. Dr. Mallah responded not that she is aware of and Mr. Serfass reported he has not heard of any activity either locally.

8.e. Curriculum & Extracurricular Activities - Mr. Connelly

Minutes

Mr. Connelly stated agenda is attached. Reminded community the disposal of books is not banning books they are old copies. Some more will run through Curriculum and Policy Committees.

8.f. Policy - Mr. McInroy

Minutes

Mr. McInroy stated Mr. Connelly chaired the April meeting. Minutes are attached.

9. Report of Board Representatives

9.a. Community Recreation - Ms. Bowen

Minutes

Ms. Bowen reported summer camp counselors and lifeguards needed; stadium passes need to be confirmed and replacements available for \$5; Siebert construction happening; Kite Festival is on May 19; and Memorial Day Parade is May 27.

9.b. Cumberland Perry Area Career & Technical Center - Mr. Lamay

Minutes

Mr. Lamay reported meeting minutes attached. Building project is out for bid and expecting bids back on May 29. Meeting at the end of the month.

9.c. District / Borough - Mrs. Gurgiolo

Minutes

Mrs. Gurgiolo reported there was a Joint Borough and District meeting on April 24 and discussions on crossing guard appreciation, emergency management planning, Eisenhower walkway project, summer employment opportunities, and stadium agreement needs to be reviewed by Borough and District.

Mr. Serfass reported on the Adult English Learning program. 60 adults participated and several community members volunteered. Possibility of students participating next year.

Mr. Lamay inquired about the stadium agreement if suggestions were discussed. Mr. Serfass stated no; only discussion was on the deep cleaning before sports seasons begin and building and grounds department is on top of it.

9.d. Harrisburg Area Community College - Mr. Gale

Minutes

No report.

9.e. Performing Arts Center Advisory Committee - Dr. Mallah

Minutes

Dr. Mallah reported there is a meeting on Monday, May 13.

9.f. Capital Area Intermediate Unit - Mrs. Gurgiolo

Minutes

Mrs. Gurgiolo reported minutes and April magazine are attached. Meeting in a few weeks.

10. Comments from Citizens

Minutes

No comments.

11. New Business

11.a. Disposal of Items-1st Grade

Minutes

Mr. Gale made a motion, seconded by Mr. Lamay, to approve the disposal of Items. The motion passed unanimously.

11.b. Personnel Report

Minutes

Mr. Gale made a motion, seconded by Mr. Lamay, to approve the personnel report. The motion passed unanimously.

11.c. 2024-2025 General Fund Budget

Minutes

Mr. Gale made a motion, seconded by Mr. Connelly, to approve the 2024-2025 General Fund Budget. Mr. Gale asked if a roll call needed to be given. Mr. Pahowka recommended a roll call. Mrs. Gurgiolo asked to start over and for any discussion.

Mr. Lamay asked if there was any appetite to reduce by half percent or back to the 4.6% that was originally proposed. Mrs. Gurgiolo asked if he was making a motion. He stated he cannot make a motion, he can only ask the director that made the motion or the one who seconded it to do so. Mr. Gale stated he was satisfied with the motion that was proposed.

Mrs. Martin gave roll call. Final vote 8 in favor; 1 opposed.

Ms. Meredith Bowen: Yes

Mrs. Josceylon Buchs: Yes

Mr. Neil Connelly: Yes

Mr. Randall Gale: Yes

Mrs. Melanie Gurgiolo: Yes

Mrs. Melissa Howard: Yes

Mr. Gregory Lamay: No

Dr. Karen Mallah: Yes

Mr. Geoffrey McInroy: Yes

12. Adjournment

Minutes

Mr. Gale made a motion, seconded by Mr. Lamay to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:09pm.