



**ANTIETAM SCHOOL DISTRICT
SCHOOL BOARD COMMITTEE OF THE WHOLE MINUTES
Monday, February 22, 2024, 6:30 pm**

Mr. Roberts called to order the Committee of the Whole meeting at 6:30 pm. He stated that the Board will meet in executive session regarding Personnel and Property, at the conclusion of the Special Voting meeting today, February 22, 2024, and will not reconvene.

Members Present:

Rebecca DiSarro	Kyla Ramsey
Jennifer Miller	Amanda Stief
Wayne Modeste	Lorraine Storms
David Okonski	Chuck Weldele
Michael Roberts	

Public Comment – Mr. Roberts asked if there was any public comment.

Corrine Hauck stated she was not able to attend the Borough Meeting this week, but she saw that the Reading Eagle and WFMZ reported that there were letters from the Borough to the School District in support of the plan and that they were tabled. She questioned when those letters will be made public. Mr. Roberts stated the Borough will have to un-table those letters.

Superintendents Report - Dr. Rochlin introduced the Auditor Linda Himeback, from Herbein + Co. to review the Audit report from June 30, 2023. Please see presentation attached.

Dr. Rochlin stated that they have talked a lot about the plans for the upcoming school year and beyond but haven't spent a lot of time talking about how the district was going to pay for it. She gave a presentation regarding the phase planning and where students will be for next year and AEM will discuss what the Primary Center renovations and the bidding process and a quick overview of what will be happening at the Primary Center. She stated this is flood recovery focused.

She started the presentation – please see the attached document.

AEM – Phil Leinbach then gave a presentation on the work in the Mt. Penn Primary Center and the bidding process.

Tracy Detwiler gave a financial review and Chris Selmer - gave a presentation of the “grant dashboard”.

Scott Kramer from Raymond James joined the conversation via teams and gave a brief overview of the mileage study.

Audience member Kim Wittich – asked if any of the grants were situational, will any of them take into account what happened to the district? Dr. Rochlin stated some of the grants are on the federal level and some of them are on state level and that is the reason we hire companies like DSL to go to Harrisburg and advocate on behalf of the district.

Rebecca DiSarro asked can the 9-12 grade students be in the Primary Center building if it's not completed. Dr. Rochlin stated they will be. Mrs. DiSarro asked what about the cafeteria. Dr. Rochlin stated the café is projected to be completed approximately mid September, so for a few weeks the students will be in the classrooms for lunch.

Mr. DiSarro asked a question regarding the Grade Configuration plan –is there any anticipation on losing positions? Dr. Rochlin stated, that the district will probably need a few more teachers in order to have dedicated teachers for the new configuration plan, there may be some sharing of teachers but not much.

FINANCE COMMITTEE - There was a discussion regarding which company would complete the required traffic study at a cost to the district. There were two bids one proposal for \$14,000.00 and one proposal for \$65,000.00. It was decided that the proposal for Heimrich and Klein \$14,000.00 would be voted on in the Special meeting after this CoW meeting.

Mr. Weldele stated he will have the following motions at the next Board meeting:

- Ratify a transfer of \$2,165,267.74 to Committed Fund Balance for future Capital Projects from Unassigned Fund Balance, effective June 30, 2023, in accordance with our Fund Balance Policy 620.
- Ratify a transfer of \$345,079.86 to Assigned Fund Balance from Committed Fund Balance for future PSERS increases, effective June 30, 2023, in accordance with our Fund Balance Policy 620.
- Ratify Resolution No. 2024-1 authorizing John E. Muir, Esquire and Kozloff Stoudt to settle the real estate tax assessment appeals filed by Stokesay Real Estate, LLC and Stokesay Village, LLC, as presented.
- Ratify the Tuition contract for Weiser "Decisions" School at a rate of \$250.93 per day, for one 10th grade student for the remainder of the 2023-2024 school year or until the student is withdrawn, prior to the end of the school year.
- Ratify the Consulting Contract between Antietam School District and Trapani Communications, LLC Inc. not to exceed 100 hours at \$150/hour or \$15,000 unless agreed upon in writing by both parties for public relation communications ending January 30, 2025 Either party may cancel this agreement in writing on thirty (30) days notice.
- Ratify the Memorandum of Understanding (MOU) between Richard Caron Foundation dba Caron Treatment Centers (Caron) and Antietam School District effective February 12, 2024 through June 30, 2024 to Facilitate a Primary Group Via Telehealth at a mutually set time to students via student school electronic devices to log onto Carons Primary Group .
- Accept the audit report for the 2022-2023 school year, submitted by Herbein+Co., Certified Public Accountants, as presented.
- Approve the agreement between Richard J Caron Foundation and Antietam School District effective July 1, 2024 through June 30, 2025 unless sooner terminated in accordance with the terms set forth in agreement for Option A/ 3 days a week for 36,940.00 per year.
- Approve the agreement between Teachers In the Parks (TIPS) and the Antietam School District 3 year commitment to offer fully inclusive TIPS Programming for a flat - rate fee of \$8,000 per year for all three years of the contract. In addition to the projected seat dollar amount of \$325 per child/per year. The per-child cost of \$325 will remain for all three years of the contract as long as there is no increase in the districts teacher contracted hourly rate. Any increases will be aligned to this hourly rate, to be paid from ARP-ESSER grant funds and take place at the Antietam Pool.
- Approve the New Story tuition agreement for one 9th grade student for the remainder of the 2023-2024 school year at \$425.00 a day.

- Approve the Memorandum of Understanding (MOU) Between The Lincoln Center for Family and Youth and the Antietam School District to provide a certified Mental Health Counselor one day a week to provide substance abuse counseling and training services in collaboration with school personnel. ASD will facilitate integration and support and resources for the effective delivery of said services at no cost to the district through June 30, 2024.
- Approve the Settlement Agreement and Release #2024-1 for one 9th grade student.
- Accept the \$1,000.00 donation, from J. Bertolet Inc., allocated for athletics playoff coach bus.
- Accept the \$1,000.00 donation, from John R. (Jr)and Karen M. Bertolet, allocated for athletics playoff coach bus.
- Accept the donation from Go Fund Me "Antietam Flood Relief" project.
- Approve the agreement between the Antietam School District and Betterview Counseling and Trauma Recovery LLC for the development, implementation and operation of a satellite School-Based Mental Health Outpatient Service, at no cost to the district, pending final review by the District Solicitor.

PROPERTY COMMITTEE - Mrs. Storms read the information below

- Accept the donation of materials from Donor's Choose for the Project "Classroom Rewards for Really Awesome Artists (Part 2)".
- Authorize AEM Architects to solicit bids for the Mount Penn Primary Center Renovation Project.
- Ratify the following due diligence proposals for 705 Friedensburg Road:
 - JBA Structural Engineers for the structural engineer review at a cost of \$2,800
 - Element Environmental Solutions for the Phase I Environmental Site Assessment at a cost of \$2,200.
 - Weatherproofing Technologies, Inc. (WTI) for the roof inspection at a cost of \$1,143.00.

POLICY COMMITTEE - Mr. Modeste started a Discussion about APG-10 – Teacher Parking at Mt. Penn Primary Center Dr. Rochlin stated the Borough is requesting for the district to put a parking policy in place for the MPPC Building. After meeting with Hunter at the borough he stated an Administrative Regulation would be fine, because new policies take a lot of time between the 3 readings and noting in the minutes and such. Mr. Modeste read the following:

- Ratify the Admission of Fact, Waiver of Hearing, Acknowledgment of Compliance with Procedural Safeguards and Consent to Expulsion agreement 2024-1.
- Ratify the residency affidavit for one Kindergarten and one 2nd grade student for the remainder of the 2023-2024 school year.

- Ratify the guardianship affidavit for one 11th grade student for the remainder of the 2023-2024 school year.
- Approve the Antietam School District - Payroll Schedule for the 2024-2025 school year.
- Approve the Antietam School District Health and Safety Plan, that has been reviewed by administration and has not changed. Further acknowledging that the Biden Administration announced the end of both the National and Public Health Emergency Declarations on May 11, 2023, and that this motion is made to satisfy the requirements of ESSER funding use.
- Approve the revised District calendar for the 2023-2024 school year, changing March 1, 2024 to a full Act 80 day for the entire District for conferences.

BERKS COUNTY INTERMEDIATE UNIT – Mrs. DiSarro read the following:

- Approve the Proposed BCIU Mandated Services Budget July 1, 2024 through June 30, 2025.

ATHLETIC/ACTIVITIES COMMITTEE - Mrs. Stief started a discussion on the Hummer Turfgrass System Inc. Proposal for the Project: Carsonia Park Game Infield and Hummer Turfgrass System Inc Proposal for the Pool/Practice Infield. Dr. Rochlin stated that they were discussing the ball fields with Lynn Wilson at AVRC and this was an option for our teams to practice and play softball maybe even have some baseball practice. The district would have to take over maintenance. She also stated that the district is in a time crunch, the softball field at the high school needs to be completely redone and it would take a lot of money to do so. There is also an offer for use of Rotary Park for this year. It is a very nice complex, concession stands and restrooms. The district would have to line the fields and help them with supplies. The district will also have to transport kids there as a one way trip and the students will have to find a way home.

PERSONNEL COMMITTEE - Ms. Ramsey stated she will have the following requests, ratifications and approvals and acceptances as presented for the next board meeting:

- Request to authorize the Superintendent to make employment commitments to qualified applicants for the purpose of filling vacancies that occur after the February 26, 2024 Board meeting with action to be ratified by the School Board at the next official meeting for the remainder of the 2023-24 school year.
- Ratify the start date for Lovinda Weaver, ESL teacher for 7-12 at the Antietam Middle Senior High School effective November 28, 2023.
- Ratify the transfer of Katrina Moyer ESL teacher for grades 7-12 to ESL teacher K-6 effective November 29, 2023.
- Ratify Jason Trullinger, Bachelor's Step 12, \$61,970 effective the beginning of the 2023-2024 school year.
- Ratify the addition of Karen Deck, BCIU Guest teacher, to the 2023-2024 sub list.

- Approve the intermittent FMLA request for Donna Nuding through July 11, 2024.
- Accept the letter of resignation from Maria Hahn as Climb Enrichment Activity Leader effective February 29, 2024.
- Approve the transfer of Maria Hahn from 12 Month Secretary to the Mt Penn Elementary Center Principal to District Office Accountant, effective February 12, 2024 at a salary of \$50,000 (prorated) with benefits according to the Confidential Support Employee Compensation Plan.
- Approve the transfer of Vikki Kauffman from 10 Month Mt Penn Elementary Center Secretary to 12 Month Secretary to the Mt Penn Elementary Center Principal, effective February 12, 2024 at a salary of \$35,000 (prorated) with benefits according to the Confidential Support Employee Compensation Plan.
- Approve the addition of Maria Hahn to the Substitute Activity Leader list For Climb Enrichment Center Program, effective March 1, 2024 at \$30.00/hr.
- Approve the unpaid dates for the following staff:
 - Chelsea Boudreau May 14, 15, 16, 17, and May 20th.
 - Lee Yochum on January 8, 9, 10, 11, and January 12, 2024.
 - Kaylah Kerschner Friday April 26 half day pm.
 - Denise Rankin April 2nd, through April 12, 2024
- Approve the transfer of 25 sick days for Lovinda G Weaver from the School District of Philadelphia.
- Approve Rickiesha Muldrow, Special Ed Teacher 7-12 , Temp professional, Masters Step 3, \$54,450.00 prorated to days worked with Benefits, effective March 4, 2024.
- Approve Lauren Kralles as mentor to Rickiesha Muldrow \$168.00 for the remainder of the 2023-2024 School year.
- Approve the 2023-2024 Spring Coaches list, as presented. (to be included with the voting meeting information).

Being there was no additional business, Mr. Roberts adjourned the meeting at 7:56 pm.

Submitted By:



Jennifer Reeves
Board Secretary



Antietam School District

June 30, 2023 Audit Results



Overview

- ▼ Introduction
- ▼ Review of Auditor's Report
- ▼ June 30, 2023 Fiscal Year Financial Highlights
- ▼ Uniform Guidance
- ▼ Required Communications

This presentation is intended solely for the information and use of management and the board of directors of Antietam School District and is not intended to be and should not be used by anyone other than these specified parties. For more detailed information please see the financial and compliance report for the District.

Introduction

- ▼ Our audit is conducted under the following standards:
 - ▼ Generally Accepted Auditing Standards (Financial Audit)
 - ▼ Government Auditing Standards (Yellow Book)
 - ▼ Uniform Grant Guidance (Single Audit)
- ▼ Our responsibility is to:
 - ▼ Obtain reasonable assurance about whether the financial statements are free from material misstatements, whether due to fraud or error. Then render an opinion on whether the financial statements prepared by management with your oversight are fairly presented in all material respects, in conformity with U.S. generally accepted accounting principles.
 - ▼ Opine on the District's compliance with internal controls over compliance and compliance with direct and material compliance requirements related to the major federal programs selected for testing.

Auditor Opinions

- ▼ Generally Accepted Auditing Standards -
Unmodified Opinion
- ▼ Uniform Grant Guidance -
Unmodified Opinion
- ▼ An *unmodified opinion* is a clean audit opinion from an independent auditor.

This is not an opinion on the internal controls of the District as that was not the objective of our audit.

General Fund Budget to Actual

	BUDGET	ACTUAL	VARIANCE
	Original	(GAAP Basis)	Final to Actual
REVENUES			
Local sources	\$ 12,021,087	\$ 13,114,067	\$ 1,092,980
State sources	8,293,038	9,912,597	1,619,559
Federal sources	3,055,113	2,247,130	(807,983)
TOTAL REVENUES	\$ 23,369,238	\$ 25,273,794	\$ 1,904,556

Total revenue was 8% over budget, consisting mostly of variances in the following categories:

- ▶ Earned income tax revenue (over \$3046k)
- ▶ Interest income (over \$438k) Basic ed funding (over \$669k)
- ▶ Level-Up Supplement (over \$451k)
- ▶ ARP ESSER (under \$1.1M)

General Fund - Expenditures

	Final Budget	ACTUAL (GAAP Basis)	VARIANCE Final to Actual
INSTRUCTIONAL SERVICES:			
Regular programs - elementary/secondary	\$ 8,639,488	\$ 8,409,751	\$ 229,737
Special programs - elementary/secondary	4,608,458	3,905,573	702,885
Vocational education programs	395,000	388,812	6,188
Other instructional programs - elementary/secondary	29,588	60,204	(30,616)
Nonpublic school programs	30,000	26,511	3,489
TOTAL INSTRUCTIONAL SERVICES	13,702,534	12,790,851	911,683
SUPPORT SERVICES:			
Students	743,415	691,312	52,103
Instructional staff	833,123	745,309	87,814
Administration	1,733,289	1,783,499	(50,210)
Pupil health services	237,147	217,604	19,543
Business services	474,573	447,481	27,092
Operation and maintenance of plant	2,002,719	2,704,674	(701,955)
Student transportation	268,615	277,027	(8,412)
Central	538,691	515,537	23,154
Other	9,000	16,969	(7,969)
TOTAL SUPPORT SERVICES	6,840,572	7,399,412	(558,840)
OPERATION OF NONINSTRUCTIONAL SERVICES:			
Student activities	505,163	451,308	53,855
Community services	19,500	22,509	(3,009)
TOTAL OPERATION OF NONINSTRUCTIONAL SERVICES	524,663	473,817	50,846
CAPITAL OUTLAY	1,969,904	578,045	1,391,859
DEBT SERVICE PAYMENTS	1,710,557	1,721,797	(11,240)
REFUND OF PRIOR YEAR REVENUE	-	76,210	(76,210)
TOTAL EXPENDITURES	\$ 24,748,230	\$ 23,040,132	\$ 1,708,098
OTHER FINANCING SOURCES (USES)			
Budgetary reserve	(100,000)	-	100,000
TOTAL OTHER FINANCING SOURCES (USES)	\$ (100,000)	\$ -	\$ 100,000

- General Fund expenditures were 7% below budget.
- Instructional Services savings over budget largely relates to special education and is a result of actual salaries for replacement positions being lower than budget and decreases in outside tuition costs.
- Operation and maintenance of plant was over budget as expenses were budgeted in capital outlay and supply & repair costs were higher than anticipated due to inflation.
- Capital outlay costs were for engineering fees for the HVAC project. Budget includes both the HVAC project and ESSER equipment which was expensed in operation of maintenance and plant.

General Fund - Balance Sheet

ASSETS	
Cash and investments	\$ 8,709,474
Taxes receivable	430,281
Interfund receivables	302,921
Intergovernmental receivables	2,714,936
Other receivables	14,480
TOTAL ASSETS	\$ 12,172,092
LIABILITIES	
Interfund payable	\$ 30,120
Intergovernmental payables	255,220
Accounts payable	323,640
Accounts payable - construction	244,308
Accrued salaries and benefits	1,647,757
Unearned revenues	317,471
Other liabilities	56,031
TOTAL LIABILITIES	\$ 2,874,547
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue - property taxes	\$ 286,142
TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 286,142
FUND BALANCES	
Committed	\$ 5,131,082
Assigned	1,824,072
Unassigned	2,056,249
TOTAL FUND BALANCES	\$ 9,011,403

The District has a total fund balance of \$9,011,403 in the general fund.

- ▼ The committed fund balance is for future PSERS increases
- ▼ The assigned fund balance is the amount used to balance the 23/24 budget.

General Fund - Fund Balance

REVENUES	
Local sources	\$ 13,114,067
State sources	9,912,597
Federal sources	2,247,130
	<hr/>
TOTAL REVENUES	25,273,794
EXPENDITURES	
Current:	
Instructional services	12,790,851
Support services	7,399,412
Operation of noninstructional services	473,817
Capital outlay	578,045
Debt service:	
Principal	1,202,952
Interest	518,845
Refund of prior year revenue	76,210
	<hr/>
TOTAL EXPENDITURES	23,040,132
EXCESS OF REVENUES OVER EXPENDITURES	2,233,662
FUND BALANCES - BEGINNING OF YEAR	<hr/> 6,777,741
FUND BALANCES - END OF YEAR	\$ 9,011,403

The District budgeted \$1,478,992 use of fund balance for the 22/23 year.

The District had a surplus of \$2,233,662 mainly driven by local and state revenues received and savings in special revenue and capital projects.

The District has maintained a minimum fund balance in accordance with its policy of not more than 8% of the budgeted expenditures of that fiscal year.

Capital Projects Fund

REVENUES	
Local sources	\$ 92,142
	<hr/>
TOTAL REVENUES	92,142
EXPENDITURES	
Capital outlay	508,127
	<hr/>
DEFICIENCY OF REVENUES OVER EXPENDITURES	(415,985)
	<hr/>
NET CHANGE IN FUND BALANCES	(415,985)
	<hr/>
FUND BALANCE - BEGINNING OF YEAR	2,619,034
	<hr/>
FUND BALANCE - END OF YEAR	\$ 2,203,049

The capital projects restricted fund balance of \$2,203,049 represents \$1,688,640 of unspent bond funds and \$514,409 of surplus money transferred from the general fund.

Food Service Fund

OPERATING REVENUES	
Food service revenue	\$ 82,259
TOTAL OPERATING REVENUES 82,259	
OPERATING EXPENSES	
Salaries	19,500
Employee benefits	8,331
Purchased professional and technical services	274,534
Purchased property services	13,328
Supplies	407,014
Depreciation	20,819
Other operating expenses	146
TOTAL OPERATING EXPENSES 743,672	
OPERATING LOSS (661,413)	
NONOPERATING REVENUES	
Earnings on investments	13,888
State sources	46,811
Federal sources	689,054
TOTAL NONOPERATING REVENUES 749,753	
CHANGE IN NET POSITION 88,340	
NET POSITION - BEGINNING OF YEAR	550,655
NET POSITION - END OF YEAR	\$ 638,995

The food service fund had a surplus of \$88,340 for the year ended June 30, 2023.

Operating revenues increased with the discontinuation of free lunches to all students. Breakfast remained free to all students in 22/23.

Operating expenses are higher in 22/23 as a result of higher management and food costs.

Food Service Fund

CURRENT ASSETS	
Cash and investments	\$ 365,923
Interfund receivable	19,699
Intergovernmental receivables	5,491
Other receivables	25
Inventories	17,236
TOTAL CURRENT ASSETS	408,374
NONCURRENT ASSETS	
Furniture and equipment, net	240,224
TOTAL ASSETS	648,598
CURRENT LIABILITIES	
Accounts payable	6,150
Unearned revenues	3,453
TOTAL CURRENT LIABILITIES	9,603
NET POSITION	
Investment in capital assets	240,224
Unrestricted	398,771
TOTAL NET POSITION	\$ 638,995

The food service fund had a net position of \$638,995 for the year ended June 30, 2023 which will cover approximately 8.5 months of operating costs based on 22/23 expenses.

Statement of Net Position

	Governmental Activities	Business- Type Activities	Total
ASSETS			
Cash and investments	\$ 11,371,382	\$ 365,923	\$ 11,737,305
Taxes receivable, net	424,558	-	424,558
Internal balances	(19,699)	19,699	-
Intergovernmental receivables	2,714,936	5,491	2,720,427
Other receivables	14,480	25	14,505
Inventories	-	17,236	17,236
Capital assets not being depreciated	2,074,043	-	2,074,043
Capital assets, net of accumulated depreciation	11,863,452	240,224	12,103,676
Right-to-use lease assets, net of accumulated amortization	16,089	-	16,089
TOTAL ASSETS	28,459,241	648,598	29,107,839
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on bond refunding	619,432	-	619,432
Deferred outflows of resources for pension	4,336,752	-	4,336,752
Deferred outflows of resources for other postemployment benefits	420,362	-	420,362
TOTAL DEFERRED OUTFLOWS OF RESOURCES	5,376,546	-	5,376,546

The District's Statement of Net Position is the full accrual Balance Sheet. The negative net position in total of \$15,711,344 would be a positive \$7,807,816 without pension and other postemployment benefits (OPEB).

LIABILITIES			
Intergovernmental payables	255,220	-	255,220
Accounts payable	641,119	6,150	647,269
Accrued interest	120,537	-	120,537
Accrued salaries and benefits	1,647,757	-	1,647,757
Unearned revenues	317,471	3,453	320,924
Other current liabilities	56,031	-	56,031
Noncurrent liabilities, due within one year	1,263,920	-	1,263,920
Noncurrent liabilities:			
Bonds and notes payable, net	17,460,710	-	17,460,710
Leases payable	10,203	-	10,203
Long-term portion of compensated absences	136,884	-	136,884
Net pension liability	23,919,000	-	23,919,000
Net other postemployment benefit liabilities	1,930,322	-	1,930,322
TOTAL LIABILITIES	47,759,174	9,603	47,768,777
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources for pension	1,539,708	-	1,539,708
Deferred inflows of resources for other postemployment benefits	887,244	-	887,244
TOTAL DEFERRED INFLOWS OF RESOURCES	2,426,952	-	2,426,952
NET POSITION			
Net investment in capital assets	(2,605,322)	240,224	(2,365,098)
Restricted for capital projects	514,409	-	514,409
Restricted for purpose by donor	93,188	-	93,188
Unrestricted (deficit)	(14,352,614)	398,771	(13,953,843)
TOTAL NET POSITION (DEFICIT)	\$ (16,350,339)	\$ 638,995	\$ (15,711,344)

Key Footnotes

- ▼ Note 1 - Summary of Significant Accounting Policies
- ▼ Note 3 - Cash and Investments
- ▼ Note 7 - Changes in Capital Assets
- ▼ Note 8 - Long-Term Liabilities
- ▼ Note 9 - Employee Retirement Plans
- ▼ Note 10 - Other Postemployment Benefit Plans
- ▼ Note 14 - Fund Balance

Uniform Guidance

ANTIETAM SCHOOL DISTRICT	
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	
For the Year Ended June 30, 2023	
Section I - Summary of Auditor's Results	
Financial Statements	
Type of Auditor's Report Issued:	<u>Unmodified</u>
Internal Control Over Financial Reporting:	
Material weakness(es) identified?	___ yes <u>X</u> no
Significant deficiency(ies) identified not considered to be material weaknesses?	___ yes <u>X</u> none reported
Noncompliance material to financial statements noted?	___ yes <u>X</u> no
Federal Awards	
Internal Control Over Major Programs:	
Material weakness(es) identified?	___ yes <u>X</u> no
Significant deficiency(ies) identified not considered to be material weaknesses?	___ yes <u>X</u> none reported
Type of Auditor's Report Issued on Compliance for Major Programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	___ yes <u>X</u> no
Identification of Major Program(s):	
<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
Education Stabilization Fund	
84.425C	COVID-19 - Governor's Emergency Education Relief Fund
84.425D	COVID-19 - Elementary and Secondary School Relief Fund
84.425U	COVID-19 - American Rescue Plan Elementary and Secondary School Emergency Relief Fund
Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$750,000</u>
Auditee qualified as low-risk auditee?	<u>X</u> yes ___ no

The District received unmodified opinions as noted previously on the financial statements and the major federal programs tested.

The Education Stabilization Fund was tested this year with no reportable findings.

Required Communications

Management Letter

- ▼ Accounting for capital assets
- ▼ Grant management
- ▼ Changes to Federal Audit Clearinghouse website (Data Collection Form submission)

Auditor Communications

Communication Letter

- ▼ No difficulties were incurred in performing the audit
- ▼ Minimal proposed journal entries
- ▼ Most sensitive estimates
 - ▼ Allowance for uncollectible receivables
 - ▼ Depreciation lives for capital assets
 - ▼ Pension Liability (performed by third party)
 - ▼ OPEB Liabilities (performed by third parties)
- ▼ No other reportable matters

Communications

Upcoming Pronouncements

- ▼ **Statement No. 100, *Accounting Changes and Error Corrections*** - This statement enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement is effective for the District's fiscal year ending June 30, 2024.
- ▼ **Statement No. 101, *Compensated Absences*** - This statement's objective is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement is effective for the District's fiscal year ending June 30, 2025.



Linda Himeback, CPA - Review Partner
lhimeback@herbein.com



Megan N. Thompson, CPA - Technical Review Partner
[mntompson@herbein.com](mailto:mnthompson@herbein.com)



Megan Larkin, CPA - Audit Manager
mtlarkin@herbein.com





Offices

Allentown, PA
 Allison Park, PA
 Greensburg, PA
 Marlton, NJ
 Pittsburgh, PA
 Pottstown, PA (2 offices)
 Reading, PA (HQ) (2 offices)
 Royersford, PA
 Spring House, PA



Strong Roots to Nurture Your Success

Founded in 1972, Herbein is diligent about helping people and companies with their financial needs. New ideas, open communication, consistency of teams, and an overall focus on our clients provide the foundation for all we do.



Annual Projects

Audits	380+
Reviews	145+
Compilations	115+
EBP Audits	80+
Corporate Tax Clients	2000+
Individual Tax Clients	5,000+
M&A Deals	25-30



Quality Control

Earned clean peer review reports signifying the highest level of quality since our first review in 1982.

Registered with the Public Company Accounting Oversight Board which demonstrates Herbein's commitment to provide the highest levels of client service.



Firm Recognition

2021 Top Accounting Firms - Philadelphia Business Journal
 2021 Top Accounting Firms - Pittsburgh Business Times
 2021 Top Accounting Firms - Lehigh Valley Business Journal
 2021 Greater Reading Top Business Awards - Greater Reading Chamber Alliance
 2021 Top U.S. Accounting Firms - Accounting Today
 2022 Best in Accounting Client Service - Clearly Rated
 2021 Best Places to Work in PA - Team PA



Independent Member of Allinial Global

The independently-owned public accounting firms that make-up Allinial Global understand the current competitive business climate and provide access to critical resources that address their clients' needs, both locally and globally.



Team

250+ member regional firm

Partners	28
Sr. Managers	20
Managers	11
Sr. Consultants	5

FINANCIAL OVERVIEW 2-22-24



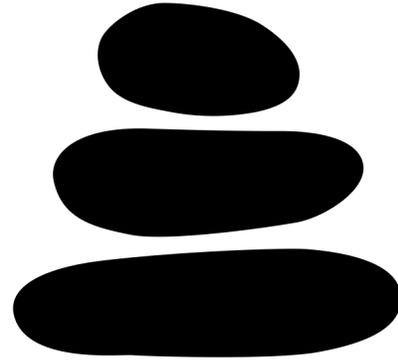
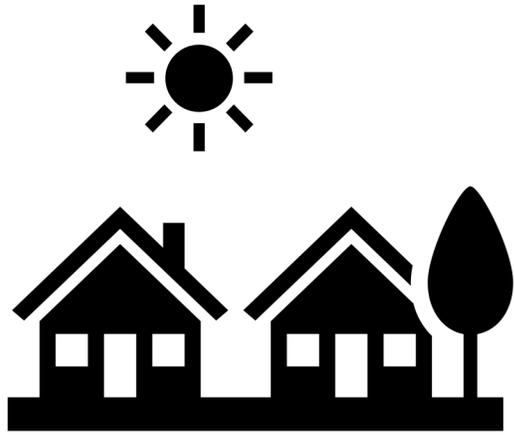
TOGETHER WE: ENCOURAGE
LEARNERS, INSPIRE GROWTH,
EMBRACE COMMUNITY

Presented By: Antietam School District in Collaboration with Devopar Consulting

AGENDA

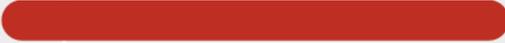
- Update on Phased Planning Progress (Charting the Path Forward)
- Review of Plans for 2024-2025 Presented at Town Hall
- Financial Review
 - Governor's Budget
 - Options
 - Next Steps





**ANTIETAM SCHOOL DISTRICT:
RECOVERY, STABILITY, GROWTH**

CHARTING THE PATH FORWARD

	Phase I	Phase II	Phase III	Phase IV
	July 2023 - Sept 2023	Oct 2023 - Feb 2024	March 2024 - August 2024	Sept 2024 and Forward
Planning for Opening of Schools 2023				
Data Collection				
Immediate MPPC Renovations for 2024 School Year				
Longer-Term Plan Developed				
Approve/Begin Long-Term Plan Implementation				

PHASE II/III: LONGER TERM PLAN DEVELOPED

2024-2025 SCHOOL YEAR

BUILDING	GRADE CONFIGURATION	NOTES/COMMENTS
MPPC (25 TH & FILBERT)	9 TH -12 TH	<ul style="list-style-type: none">• Full size gym, cafeteria, auditorium• "right size" for a High School
MPEC (2310 CUMBERLAND)	3 RD - 8 TH Building Split: 3 RD - 5 TH ; 6 TH - 8 TH	<ul style="list-style-type: none">• Access to playground space• Gym, cafeteria appropriately sized
705 FRIEDENSBURG RD.*	K - 2 ND	<ul style="list-style-type: none">• Currently functioning as pre-K classrooms• Access to playground space• Gym/café appropriately sized• Space for drop-off/pick-up

****UPDATE: We are currently completing due diligence items and inspections on the property. When those reports are compiled, they will help to inform the Board's decisions moving forward.***

PHASE II/III: EMERGENCY "PLAN B" (DELAYED CONSTRUCTION)

2024-2025 SCHOOL YEAR		
BUILDING	GRADE CONFIGURATION	NOTES/COMMENTS
MPPC (25 TH & FILBERT)	9 TH - 12 TH	<ul style="list-style-type: none">Utilize already finished spaces
TRINITY CHURCH	9 TH - 12 TH	<ul style="list-style-type: none">Use classrooms as needed until building is ready
MPEC (2310 CUMBERLAND)	3 RD - 8 TH	<ul style="list-style-type: none">No change
705 FRIEDENSBURG RD.	K - 2 ND	<ul style="list-style-type: none">No change

****Note: If zoning decisions are delayed, all students above grade 6 will need to be virtual until issues are resolved***

705 FRIEDENSBURG ROAD (K-2)

- Currently used by the BCIU for Early Childhood Services
- District officials have been meeting with owner and touring the building
- A tour was completed by a code official
- An appraisal is in process of the building
- Due diligence reviews have begun i.e: masonry, roofing, etc.
- District has an option for lease, lease to purchase, or purchase

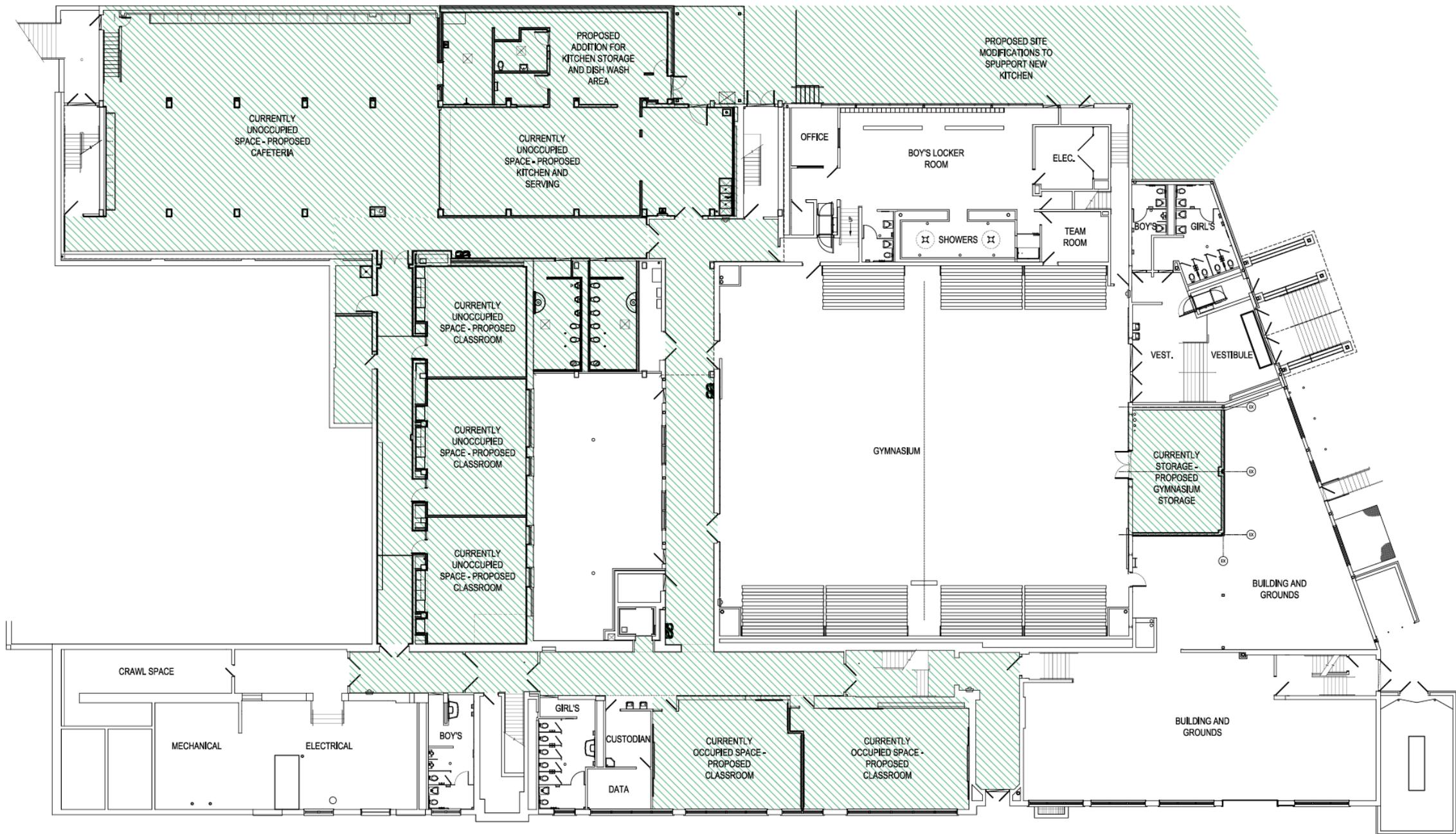


UPDATE ON MPPC RENOVATION (9-12)

- During the March 2024 board meeting AEM will review bids and the appropriate resolutions will be added to the business agenda for consideration
- The required funding resolutions will be added to the agenda for review and vote
- If the bids are approved, work will begin in April 2024

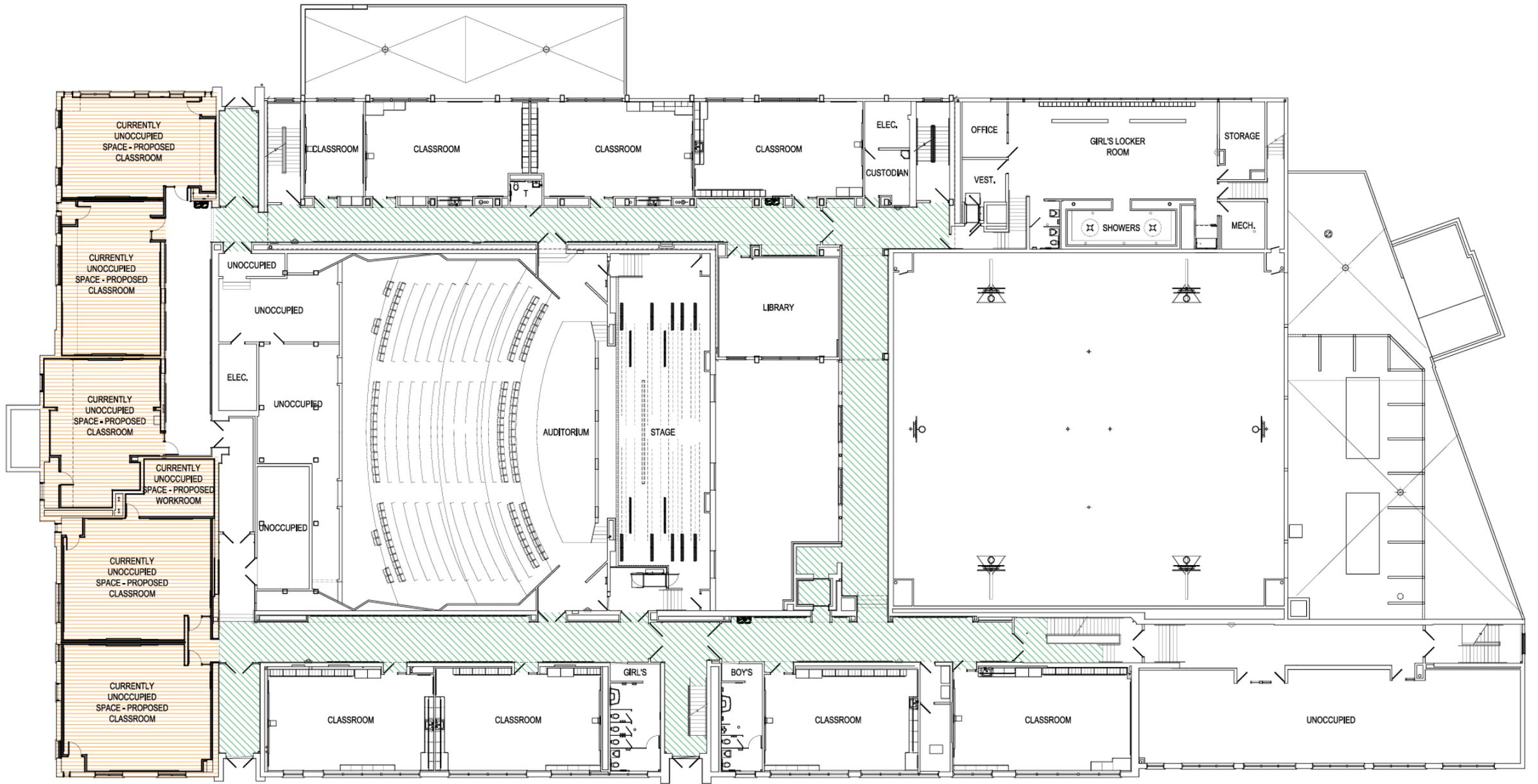


PHASED OCCUPANCY LEGEND					
PHASE		DESCRIPTION	TIMELINE	REMARKS	DRAWING
PHASED OCCUPANCY 1		GROUND FLOOR CLASSROOMS AND TOILETS	APRIL 2024 - AUGUST 9, 2024	1ST AND 2ND SHIFT TO MEET SCHEDULE	PH-1
PHASED OCCUPANCY 1		GYM STORAGE	APRIL 2024 - MAY 31, 2024	1ST AND 2ND SHIFT TO MEET SCHEDULE	PH-1
PHASED OCCUPANCY 1		CAFETERIA AND KITCHEN	APRIL 2024 - SEPTEMBER 27, 2024	1ST AND 2ND SHIFT TO MEET SCHEDULE	PH-1
PHASED OCCUPANCY 1		SITE WORK, ADDITION AND ALLEY WORK	ASAP - AUGUST 9, 2024	1ST AND 2ND SHIFT TO MEET SCHEDULE	PH-1
PHASED OCCUPANCY 1		GROUND FLOOR CLASSROOMS	JUNE 10, 2024 - AUGUST 9, 2024	1ST AND 2ND SHIFT TO MEET SCHEDULE	PH-1
PHASED OCCUPANCY 2		FIRST FLOOR CLASSROOMS	JUNE 10, 2024 - NOVEMBER 29, 2024	1ST AND 2ND SHIFT TO MEET SCHEDULE	PH-1
PHASED OCCUPANCY 3		SECOND FLOOR CLASSROOMS	DECEMBER 2, 2024 - FEBRUARY 28, 2025	ALL WORK SECOND SHIFT EXCEPT FOR SCHOOL HOLIDAYS OR WEEKEND WORK	PH-1
PHASED OCCUPANCY 1		GROUND AND FIRST FLOOR FLOORING	JUNE 10, 2024 - AUGUST 9, 2024	ALL WORK SECOND SHIFT EXCEPT FOR SCHOOL HOLIDAYS OR WEEKEND WORK	PH-1



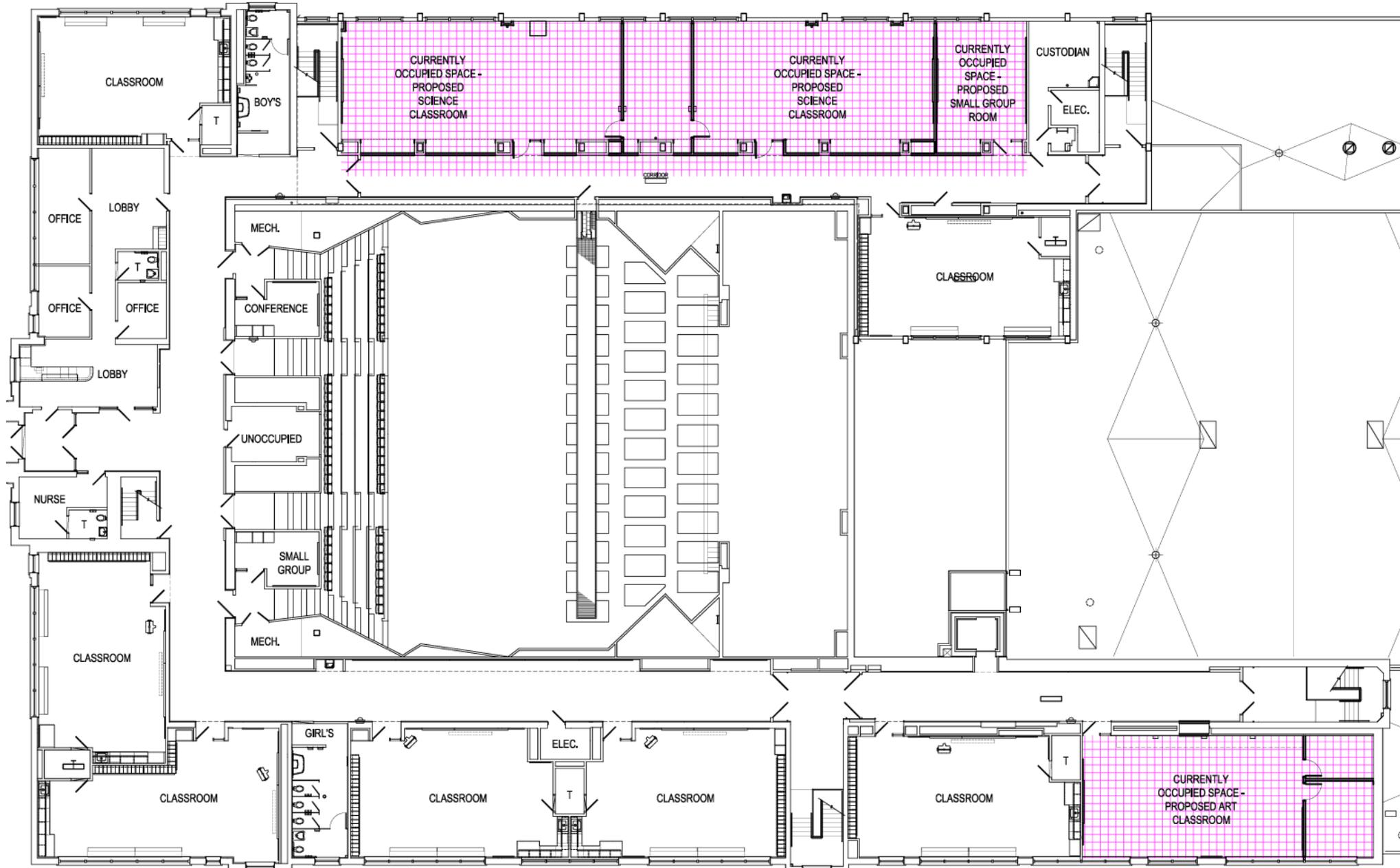
GROUND FLOOR PLAN

SCALE: 1/16" = 1'-0"



FIRST FLOOR PLAN

SCALE: 1/16" = 1'-0"



SECOND FLOOR PLAN

SCALE: 1/16" = 1'-0"



FINANCIAL REVIEW

- Reviewing fund balance and designations/uses
- Meeting with financial consultant and lender
- Reviewing current ESSER application and uses
- Reviewing and applying for grant revenue
- Meeting with auditor to complete the 2023 audit
- Reviewing and beginning the update of prior capital plan
- Developing financial options to support the purchase of Pennside and approval of bids for the MPPC

GOVERNOR'S PROPOSED STATE BUDGET

- Basic Education Funding
 - Current BEF allocation is \$5,866,439
 - Projected BEF allocation is \$7,872,352

 **\$2,005,913 increase**

- Special Education Funding
 - Current allocation is \$ 961,775
 - Proposed allocation is \$1,023,369

 **\$61,594 increase**





GOVERNOR'S PROPOSED STATE BUDGET- CYBER CHARTER REFORM IMPACT

- The budget calls for a flat funding amount for cyber charters
- The amount would be \$8,000 per student versus the fluctuating amount that is currently driven out by the PDE 363 calculation
- ***If passed, the PDE estimated savings for the school district is \$166,713***

POTENTIAL/AWARDED GRANT FUNDING

Grant	RACP (Round 1)	PCCD Safety Grant	PCCD Mental Health Grant	Covid ARPA Facilities Grant	ACT 34 PA Infrastructure (DCED)	ACT 33 Environmental	ESSER III
Anticipated Award Date	March '24	Spring '24	Spring '24	Spring '24	Spring '24	Summer '24	Awarded
Deadline to Apply	12/20/2024	2/29/24	2/29/24	4/20/2024	5/31/2024	6/30/2024	9/30/2024
Max Request	\$5,025,000	\$450,000	Non- Competitive	\$250,000- \$2M	\$500,000 - \$5M	\$10M	Non- Competitive
Award	TBD	TBD	\$114,279	TBD	TBD	TBD	\$2,462,630
Match	50% Match/Interim Financing	N/A	N/A	N/A	25% Match	50% Match	N/A

SCENARIO A
NO RACP

FINANCIAL
PLAN FOR
PENNSIDE &
MPPC BIDS

One Time Revenue	Amount
ESSER III Grant	\$500,000.00
Multi Modal Grant	\$300,000.00
Flood Insurance	\$2,500,000.00
Business Continuation	\$1,500,000.00
Capital Funds	\$1,824,072.00
RACP Award (TBD/\$0)	\$0.00
One Time Revenue	\$6,624,072.00
Phase A Expenses	
K-2 Building (Purchase/Lease/Improvements)	\$2,000,000.00
MPPC Renovations	\$9,300,000.00
Total Expense	\$11,300,000.00
Balance: (Borrowing to Cover Exp. Plus Cash Flow)	-\$4,675,928.00

SCENARIO B 50% RACP

FINANCIAL PLAN FOR PENNSIDE & MPPC BIDS

One Time Revenue	Amount
ESSER III Grant	\$500,000.00
Multi Modal Grant	\$300,000.00
Flood Insurance	\$2,500,000.00
Business Continuation	\$1,500,000.00
Capital Funds	\$1,824,072.00
RACP Award (TBD/50%)	\$2,525,000.00
One Time Revenue	\$9,149,072.00
Phase A Expenses	
K-2 Building (Purchase/Lease/Improvements)	\$2,000,000.00
MPPC Renovations	\$9,300,000.00
GSL- 12% payment off 50% of total	\$303,000
Total Expense	\$11,603,000.00
Balance: (Borrowing to Cover Exp. Plus Cash Flow)	-\$2,453,928.00

**SCENARIO C
100% RACP**

**FINANCIAL
PLAN FOR
PENNSIDE &
MPPC BIDS**

One Time Revenue	Amount
ESSER III Grant	\$500,000.00
Multi Modal Grant	\$300,000.00
Flood Insurance	\$2,500,000.00
Business Continuation	\$1,500,000.00
Capital Funds	\$1,824,072.00
RACP Award (TBD/100%)	\$5,050,000.00
One Time Revenue	\$11,674,072.00
Phase A Expenses	
K-2 Bldg (Purchase/Lease/Need Improvements)	\$2,000,000.00
MPPC Renovations	\$9,300,000.00
GSL- 12% payment off 50% of total	\$606,000.00
Total Expense	\$11,906,000.00
Balance: (Short Term Borrow for Cash Flow)	\$231,928.00

ANTIETAM SCHOOL DISTRICT

Millage Requirement Study

February 15, 2024



1	2	3	4	5	6	7	8	9	10	11	12
Fiscal Year Ending	Current Net Debt Service	Tax-Exempt New Money Series of 2024 \$4,925,000 Net D/S (1)	Less: Interest Earnings/SD Reserves/Capitalized Interest	Total Net Proposed Debt Service	Value of 1 Mill (2)	Total Mills Required for Debt Service	New Mills for Debt Service	Total Mills in Place for Debt Service	Millage Increase (%) (3)	Dollars Appropriated	Budget Surplus / (Deficit)
6/30/2024	1,574,607	-		1,574,607	255,226	6.169	-	6.169	0.00%	1,574,607	-
6/30/2025	1,564,424	230,729	(177,157)	1,617,996	255,226	6.339	0.170	6.339	0.37%	1,617,996	(0)
6/30/2026	1,572,567	251,000	(162,183)	1,661,384	255,226	6.509	0.170	6.509	0.37%	1,661,384	(0)
6/30/2027	1,569,876	250,750	(118,406)	1,702,220	255,226	6.669	0.160	6.669	0.34%	1,702,220	0
6/30/2028	1,572,797	250,500	(80,241)	1,743,056	255,226	6.829	0.160	6.829	0.34%	1,743,056	0
6/30/2029	1,579,121	250,250	(45,479)	1,783,892	255,226	6.989	0.160	6.989	0.34%	1,783,893	0
6/30/2030	1,637,158	250,000	(62,430)	1,824,728	255,226	7.149	0.160	7.149	0.34%	1,824,729	0
6/30/2031	1,572,070	249,750	-	1,821,820	255,226	7.138	0.000	7.149	0.00%	1,824,729	2,909
6/30/2032	1,539,843	249,500	-	1,789,343	255,226	7.011	0.000	7.149	0.00%	1,824,729	35,386
6/30/2033	1,516,182	249,250	-	1,765,432	255,226	6.917	0.000	7.149	0.00%	1,824,729	59,297
6/30/2034	1,505,604	249,000	-	1,754,604	255,226	6.875	0.000	7.149	0.00%	1,824,729	70,125
6/30/2035	1,507,600	248,750	-	1,756,350	255,226	6.882	0.000	7.149	0.00%	1,824,729	68,379
6/30/2036	1,513,185	248,500	-	1,761,685	255,226	6.902	0.000	7.149	0.00%	1,824,729	63,043
6/30/2037	937,402	818,250	-	1,755,652	255,226	6.879	0.000	7.149	0.00%	1,824,729	69,076
6/30/2038	-	1,759,500	-	1,759,500	255,226	6.894	0.000	7.149	0.00%	1,824,729	65,229
6/30/2039	-	1,757,250	-	1,757,250	255,226	6.885	0.000	7.149	0.00%	1,824,729	67,479
6/30/2040	-	1,181,250	-	1,181,250	255,226	4.628	0.000	7.149	0.00%	1,824,729	643,479
6/30/2041	-	-	-	-	255,226	-	0.000	7.149	0.00%	1,824,729	1,824,729
6/30/2042	-	-	-	-	255,226	-	0.000	7.149	0.00%	1,824,729	1,824,729
6/30/2043	-	-	-	-	255,226	-	0.000	7.149	0.00%	1,824,729	1,824,729
6/30/2044	-	-	-	-	255,226	-	0.000	7.149	0.00%	1,824,729	1,824,729
6/30/2045	-	-	-	-	255,226	-	0.000	7.149	0.00%	1,824,729	1,824,729
6/30/2046	-	-	-	-	255,226	-	0.000	7.149	0.00%	1,824,729	1,824,729
6/30/2047	-	-	-	-	255,226	-	0.000	7.149	0.00%	1,824,729	1,824,729
TOTAL	21,162,438	8,494,229	(645,896)	29,010,771			0.980				13,917,504

- (1) Series of 2024 - Tax-Exempt New Money, 5,000,000 Project Fund, Dated 5/1/2024, Current Rates+25bps.
- (2) Assumes FY 2023-24 mill is worth \$255,226. Assumes no growth in value of a mill.
- (3) Based on the assumption that 46.31 mills are in place for the 2023/24 school year.

Source: District's FY 2023-2024 Final Budget	
2023-24 Real Estate Tax Rate:	46.31
Tax Levy Generated by Mills:	\$11,819,520
Value of 1 Mill:	\$255,226
2023-24 Act 1 Adjusted Index:	6.00%

REVENUE PROJECTIONS

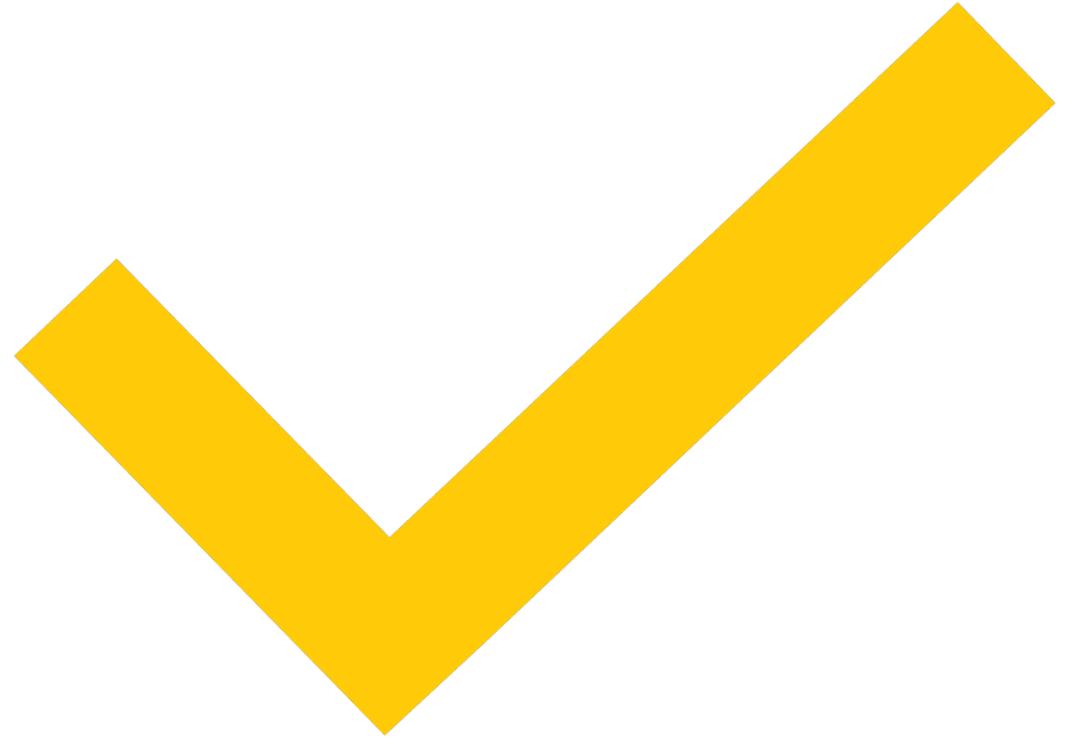
- During the 2024/2025 budget process, the school district could realize the following revenues:
 - BEF/SEF/Charter Reform: **\$2,234,220** of reoccurring revenue
 - RACP/PCCD/DCED/ACT 34: **\$12,589,279** of one-time grant revenue
 - New reoccurring and one-time revenue could range from **\$114 K to over \$14.8 M**
- While a record number of one-time grant opportunities is positive, the challenge is making long term decisions while awaiting notice of what the school district may or may not receive



FINANCIAL NEXT STEPS

- **March 2024**

- Decision on Awarding Bids for MPPC
- Discuss Enrollment Study Results
- Decision on Pennside Building
- Financing Plan presented for Board Approval. Present final Financing Options and Parameter Resolutions (if needed).
- Final tax impact will be shown.
- Preliminary 2024-2025 Budget Discussion



FINANCIAL NEXT STEPS

- **April 2024**

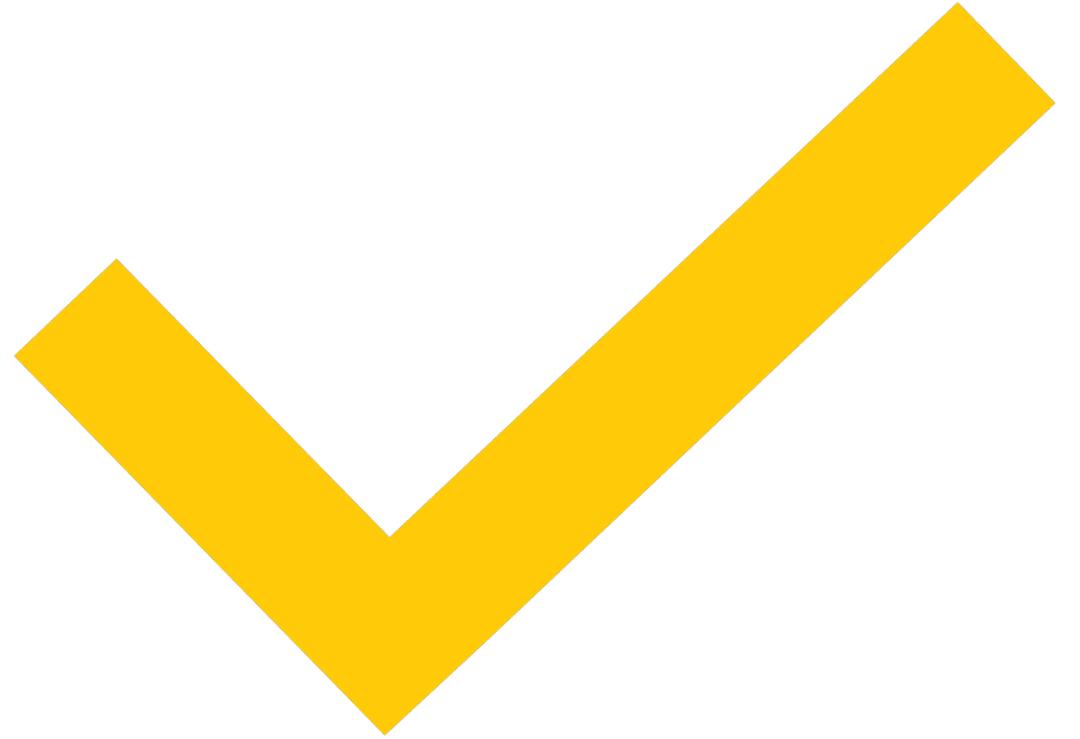
- Budget Workshop on 2024/2025 Budget
- Capital Planning Discussion
- Grant Update

- **May 2024**

- Budget Workshop #2/Preliminary Budget Approval/Grant Update
- Review of Longer-Term Projections- Revenues

- **June 2024**

- Final Budget Adoption
- Discussion on Capital Planning
- Review of Longer-Term Projections- Expenditures
- Grant Update



**THANK
YOU!**



ANTIETAM SCHOOL DISTRICT

Millage Requirement Study

February 15, 2024



1	2	3	4	5	6	7	8	9	10	11	12
Fiscal Year Ending	Current Net Debt Service	Tax-Exempt New Money Series of 2024 \$4,925,000 Net D/S (1)	Less: Interest Earnings/SD Reserves/Capitalized Interest	Total Net Proposed Debt Service	Value of 1 Mill (2)	Total Mills Required for Debt Service	New Mills for Debt Service	Total Mills in Place for Debt Service	Millage Increase (%) (3)	Dollars Appropriated	Budget Surplus/ (Deficit)
6/30/2024	1,574,607	-		1,574,607	255,226	6.169	-	6.169	0.00%	1,574,607	-
6/30/2025	1,564,424	230,729	(177,157)	1,617,996	255,226	6.339	0.170	6.339	0.37%	1,617,996	(0)
6/30/2026	1,572,567	251,000	(162,183)	1,661,384	255,226	6.509	0.170	6.509	0.37%	1,661,384	(0)
6/30/2027	1,569,876	250,750	(118,406)	1,702,220	255,226	6.669	0.160	6.669	0.34%	1,702,220	0
6/30/2028	1,572,797	250,500	(80,241)	1,743,056	255,226	6.829	0.160	6.829	0.34%	1,743,056	0
6/30/2029	1,579,121	250,250	(45,479)	1,783,892	255,226	6.989	0.160	6.989	0.34%	1,783,893	0
6/30/2030	1,637,158	250,000	(62,430)	1,824,728	255,226	7.149	0.160	7.149	0.34%	1,824,729	0
6/30/2031	1,572,070	249,750	-	1,821,820	255,226	7.138	0.000	7.149	0.00%	1,824,729	2,909
6/30/2032	1,539,843	249,500	-	1,789,343	255,226	7.011	0.000	7.149	0.00%	1,824,729	35,386
6/30/2033	1,516,182	249,250	-	1,765,432	255,226	6.917	0.000	7.149	0.00%	1,824,729	59,297
6/30/2034	1,505,604	249,000	-	1,754,604	255,226	6.875	0.000	7.149	0.00%	1,824,729	70,125
6/30/2035	1,507,600	248,750	-	1,756,350	255,226	6.882	0.000	7.149	0.00%	1,824,729	68,379
6/30/2036	1,513,185	248,500	-	1,761,685	255,226	6.902	0.000	7.149	0.00%	1,824,729	63,043
6/30/2037	937,402	818,250	-	1,755,652	255,226	6.879	0.000	7.149	0.00%	1,824,729	69,076
6/30/2038	-	1,759,500	-	1,759,500	255,226	6.894	0.000	7.149	0.00%	1,824,729	65,229
6/30/2039	-	1,757,250	-	1,757,250	255,226	6.885	0.000	7.149	0.00%	1,824,729	67,479
6/30/2040	-	1,181,250	-	1,181,250	255,226	4.628	0.000	7.149	0.00%	1,824,729	643,479
6/30/2041	-	-	-	-	255,226	-	0.000	7.149	0.00%	1,824,729	1,824,729
6/30/2042	-	-	-	-	255,226	-	0.000	7.149	0.00%	1,824,729	1,824,729
6/30/2043	-	-	-	-	255,226	-	0.000	7.149	0.00%	1,824,729	1,824,729
6/30/2044	-	-	-	-	255,226	-	0.000	7.149	0.00%	1,824,729	1,824,729
6/30/2045	-	-	-	-	255,226	-	0.000	7.149	0.00%	1,824,729	1,824,729
6/30/2046	-	-	-	-	255,226	-	0.000	7.149	0.00%	1,824,729	1,824,729
6/30/2047	-	-	-	-	255,226	-	0.000	7.149	0.00%	1,824,729	1,824,729
TOTAL	21,162,438	8,494,229	(645,896)	29,010,771			0.980				13,917,504

- (1) Series of 2024 - Tax-Exempt New Money, 5,000,000 Project Fund, Dated 5/1/2024, Current Rates+25bps.
- (2) Assumes FY 2023-24 mill is worth \$255,226. Assumes no growth in value of a mill.
- (3) Based on the assumption that 46.31 mills are in place for the 2023/24 school year.

<i>Source: District's FY 2023-2024 Final Budget</i>	
2023-24 Real Estate Tax Rate:	46.31
Tax Levy Generated by Mills:	\$11,819,520
Value of 1 Mill:	\$255,226
2023-24 Act 1 Adjusted Index:	6.00%