

**BOYERTOWN AREA SCHOOL DISTRICT
FINANCE COMMITTEE
October 16, 2018
MEETING MINUTES**

The October 16, 2018, Finance Committee meeting was convened at 6:03 PM by Mr. Elsier, Finance Committee Chair, in the Education Center Board Room.

Everyone participated in the Pledge of Allegiance to the United States of America and a moment of silence.

The following board members were in attendance:

Rodney Boyer, Jill Dennin, Ruth Dierolf, Steven Elsier, David Lewis, Christine Neiman, Donna Usavage

The minutes for the Finance Committee meeting of September 18, 2018, were presented to the Board for approval. Motion moved by Mrs. Usavage, second by Mr. Lewis. Motion to approve the minutes of September 18, 2018, as presented, carries: Yea: Boyer, Dennin, Dierolf, Lewis, Neiman, Usavage, Elsier. Nay: None.

Compensation Study: Dr. Dana Bedden, Superintendent, and Dr. J. Mia Kim, Chief Human Resources Officer, provided information on a Compensation Study – Classified Positions to be done by Pennsylvania School Boards Association. This study is being done to attract and keep quality employees. The results of the Compensation Study will be presented at a future board meeting. The cost would be \$4,600 and the study would take two to three months to complete.

Compensation Study Comments:

1) Leadership was thanked for taking the step to do a study, 2) Does not need Board approval – can be administrative matter only, 3) Board members should review the information and submit questions to Dr. Bedden, 4) Exit interviews, and 5) Problem not compensation paid to employees – it is about treatment of employees.

Stadium Financing Options: Mr. Brad Remig, PFM Financial Advisors, LLC Managing Director, did a presentation on the financing options. Topics covered: 1) Potential Project, 2) Potential Methods of Financing, 3) Reimbursement Resolution, 4) Bank Qualification & Timing, 5) Borrowing Laws-Federal Tax Laws, 6) Municipal Market Data Update, 7) Boyertown Area School District Summary of Outstanding Indebtedness, and 8) Summary of New Money Scenarios

Stadium Financing Options Comments:

1) Bank qualification explanation, 2) Dual track explanation which looks at both bond issue and bank loan, 3) Bond Issue versus Bank Loan relating to interest rates, 4) Needing dollars now until bond issue, 5) Millage increases on debt for homeowners, 6) Request for Chief Financial Officer and PFM to make a recommendation on best option to finance project, 7) Explanation of Millage Equivalent and annual tax increase on new debt, 8) Need to be thinking of adding debt service dollar amounts to budget, 9) Way to put in perspective - Act 1 Index next year is 2.8% or .71 mills, and 10) Increase in taxes is being estimated as “annually”, and 11) Using leftover bond proceeds.

2019-2020 Budget Calendar: Ms. Rebecca Clouser, Chief Financial Officer, reviewed the tentative schedule for developing the 2019-2020 Boyertown Area School District budget. Important dates that will require Board action are: 1) December 4, 2018 – School District Adopts Resolution Authorizing Proposed Preliminary Budget Display and Advertising, 2) February 12, 2019 – Adoption of Preliminary Budget, 3) May 14, 2019 – Board Adoption of Proposed Final Budget, and 4) June 25, 2019 – Board Adoption of Final Budget.

Second (2nd) Per Capita Tax Billing: Ms. Clouser provided information on the second (2nd) per capita tax billing and made the recommendation not to send out a second (2nd) per capita tax billing starting in the 2018-2019 school year.

Second (2nd) Per Capita Tax Billing Comments:

1) Employee time and cost versus revenue collected, and 2) Past practice.

The board members were queried and a majority of board members were in favor of having the elimination of the second (2nd) per capita tax billing on the October 23, 2018, board meeting agenda.

No Public Comment

No Committee Comment

Adjournment

There being no other business for consideration the meeting was adjourned at 7:15 PM moved by Mr. Lewis, second by Mrs. Dennin.