

BOYERTOWN AREA SCHOOL DISTRICT
Boyertown, Pennsylvania
www.boyertownasd.org

Finance Committee Meeting
January 20, 2015
Meeting Minutes

Mrs. Hartford, Finance Committee Chair, called the meeting to order at 6:30 pm in the Education Center Board Room.

Members attending: Dr. Christman (7:20), Mrs. Dennin, Mr. Elsier, Mrs. Hartford, Mr. Landino, Ms. Neiman, Mrs. Usavage (6:34)

Administration: Dr. Faidley, Mr. Scoboria, Mr. Szablowski, Mr. Katch, Dr. Woodard, Dr. Miller, Mr. Major, Mrs. Bartman and Mr. Hayes

Members of the Public: 4

Everyone recited the Pledge of Allegiance to the Flag and observed a moment of silence

No public comment.

The minutes from the committee meeting of December 16, 2014 were moved and seconded. The minutes were adopted unanimously.

Dr. Woodard introduced the 2015-2016 budget in the areas of Curriculum and Professional Development. A copy of the presentation is included with these minutes. The presentation focused on student achievement through better teaching. The professional development budget includes the proposed addition of 3.5 instructional coaches. Dr. Woodard discussed the roles and duties of instruction coaches. The proposed coaches would be added to the 2.5 coaches currently supporting the teaching staff in Boyertown. The existing coaches have one supporting elementary teachers (K-6), one supporting secondary (7-12), and .5 being K-12 technology integration. The proposed new coaches would be: 1.5 for elementary, 1.0 for secondary, and 1.0 for technology. There was discussion on coaches. Dr. Miller and Mr. Major presented the technology initiatives proposed for 2015-2016 and the supporting budget, a copy of which is included with these minutes. Mr. Major outlined the technology objectives for the District. Dr. Miller discussed the Bright Bytes survey results with the committee. Mr. Major updated the committee on the student to computer ratios and discussed the 10th grade 1:1 computer initiative set to begin in the 15-16 school year. There was discussion on technology initiatives and how the technology is utilized, as well as the budget and the technology leases for 2015-2016 which will add \$100,000 to the Technology Fund Transfer for a total of \$1,135,000.

Mr. Szablowski introduced the 2015-2016 Special Education Budget, stating that forecasting special education expenditures is very difficult as the student population needs cannot be accurately projected. William Hayes and Kalyn Bartman, secondary and elementary special education directors, respectively, presented information on the 2015-16 special education budget. The budget includes increases in the professional services and purchased services areas of the budget, besides increases in wages and benefits. The reasoning for the increased budgeted expenditures was shared with the committee. Namely, Berks County IU services for students with special needs and hearing supports as well as the need for more speech and language supports, and creative health services were highlighted as the major cost drivers in the professional services area. In the purchased services expenditures, tuition paid to institutions providing higher level services to students exceeding the District's ability to provide these services is the largest budget expenditure in this category. Mr. Szablowski explained that the \$1 million increase in the 15-16 budget is an accurate projection of the cost escalation. He detailed the 14-15 budget amount of \$2 million and stated that the final tuition expense for the 13-14 budget was approximately \$2.4 million. Using the actual cost escalation figure for the tuition paid to these institutions of 10% per year, the projected cost of tuition paid in the 15-16 fiscal year will be \$3 million. There was discussion on the cost of special education services, the decision process in hiring specialist versus contracting for services, and several specific instances of services provided to students. A copy of the Special Education and Personnel budget presentations are included with these minutes.

Mr. Katch and Mr. Szablowski reviewed the 2015-2016 Personnel Budget. With over 75% of the District's budget consisting of employee wages and salaries and their respective benefits, either negotiated or mandated, this portion of the budget contains several large increases in expenditures. Overall, the projected wage increases are not increasing above the Act 1 Index of 2.3%. Professionals will receive .5% on scale with step movement for those qualifying. All other classes of employees are budgeted at a 2% increase. The two largest factors in the benefits area are health insurance and retirement contributions. A preliminary projection for increases in health insurance are currently 15%. PSERS contribution for each employee's retirement are slated to increase 20.7% from the current 21.4% of earnings to 25.84%. The projected increases in these two expenditures are \$1.238 million and \$1.893 million respectively. Mr. Katch reviewed the retirements submitted with 9.5 FTE Teachers and 2 Classified staff retirements included in the budget. The projected increase in 2 bubble teachers at either Gilbertsville or New Hanover-Upper Frederick were discussed. The total new staff proposed for the 15-16 year is 5.5 positions with the addition of the 3.5 new instructional coaches. Employees funded by funds other than taxpayer funds were discussed and the budget projects the State's Ready to Learn Block Grant is expected to be continued. ACCESS funded positions and the ACCESS program were discussed. Mr. Szablowski shared the potential reduction in ACCESS funding over the next three years and stated a plan to remove several employees from this funding source will be important over the next two years to preserve this funding source. Several handouts detailing the budget for each area of the evening presentations were distributed and discussed with the committee.

Mr. Szablowski updated the committee on the BASH Construction Project Financing and that a new fund will now appear on the monthly treasurer's report. Mr. Szablowski reviewed several of the invoices recently paid by the fund. The Capital Projects Fund was reimbursed for \$3,976,190.58 of BASH renovation costs paid prior to the permanent financing being established. The funds also paid for the Owner Controlled Insurance Program (OCIP) for the next three years, a premium of over \$1.164 million, and permit fees or financial securities to each respective municipality.

During Public Comment Period #2, Mrs. Curry asked several questions regarding the various budget presentations during the evening.

Mrs. Hartford announced the following upcoming meetings:

January 22, 2015	Facilities Committee	Board Room	6:00 p.m.
January 27, 2015	Board of School Directors	Pine Forge Elementary	7:00 p.m.
February 3, 2015	Finance Committee	Board Room	6:30 p.m.
February 10, 2015	Curriculum Committee	Conference Room A	6:00 p.m.
February 10, 2015	Board of School Directors	Board Room	7:00 p.m.

(Preliminary Budget Adoption)

A motion to adjourn the meeting, moved by Mr. Landino, second by Mrs. Usavage. The meeting adjourned at 9:35 p.m.