

**BOYERTOWN AREA SCHOOL DISTRICT**  
**Boyertown, Pennsylvania**  
**[www.boyertownasd.org](http://www.boyertownasd.org)**  
**Finance Committee Meeting**  
**November 25, 2014**  
**Meeting Minutes**

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

Members attending: Mrs. Dennin (7:09), Mr. Elsier, Mrs. Hartford, Mr. Landino, Ms. Neiman, Mr. Stengle, Mrs. Usavage

Administration: Dr. Faidley, Mr. Scoboria, Mr. Szablowski,

Members of the Public: 3

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 October 21, 2014 were moved and seconded. The minutes were adopted unanimously.

Brad Remig from Public Financial Management (PFM) was in attendance to review the need to amend the financing for the Boyertown Area Senior High School construction project. The School Board originally approved the 2014 GON and the 2014 GOB at the October 28 School Board meeting. The 2014 General Obligation Notes (GON) through the Emmaus Bond Pool had originally included a debt service schedule over 15 years. Because the "Pool" is set to expire in December 2028 the debt service schedule must be reduced to 14 years. Because the District is shortening the length of time to repay the note, there will be less interest expense incurred by the District. The 2014 General Obligation Bonds (GOB) in the amount of \$30 million will also have an amended debt service schedule shortening the repayment period. The entire amendment will save the District approximately \$1.5 million in interest over the life of the debt. The committee was asked to recommend the amended resolutions for Board approval at the December 9 Board meeting. There were several questions about the debt addressed by Mr. Remig and Mr. Szablowski. A majority of the Committee recommended the action to the December 9 Board agenda for consideration.

Mr. Szablowski presented an overview of the 2015-2016 General Fund Budget. A copy of the presentation is included with these minutes. The overview is provided seven months before the beginning of the 2015-2016 fiscal year. There are still many questions that remain to be answered. The economic factors affecting the budget were discussed. The fact that the political landscape in Harrisburg is changing with the election of a new governor will have an impact on all school districts' budget. There was discussion regarding the grassroots efforts to have the State properly fund schools. The special education funding changes through Act 16 were discussed and how it may affect the funding of the District's special needs population. The projected revenue for the fiscal year was shared with the committee. The factors determining the District's expenditures for the 15-16 budget were discussed. Wage and benefit increases were discussed. The major benefit items discussed were the increases in health care premiums and the mandated retirement system contributions. The projected PSERS contribution rate is 25.84%, which is an increase of 20.75% over the current rate. There was extensive discussion about the health insurance costs, including current claim trends and the implementation of new healthcare options available for employees. The Act 1 Index was shared with the Statewide Index was 1.9% and the District's index is 2.3%. The 2.3% maximum tax increase would allow a tax increase of approximately .54 mills, which equates to \$1.242 million. There was discussion about the tax rates in each respective County and the potential for tax increases. A member suggested abandoning the current market value based equation for each respective county tax rate and utilize a single tax rate for the School District. There was a discussion about the long term impact of the tax rates given the suggested methodology. There was discussion about each County's assessment vs. market value and possible implications with a County-wide reassessment.

Mr. Scoboria, Dr. Faidley, and Mr. Szablowski shared an administrative recommendation to pursue additional classroom space at Gilbertsville and New Hanover Upper Frederick Elementary. Given the increased student population in the eastern portion of the District and the student enrollment in these two respective, the buildings exceed capacity and all classrooms are being utilized. A proposal to investigate temporary modular classrooms was proposed. There was discussion about realignment of building attendance areas or the bussing of students from these schools to other less populated schools. The administrative recommendation is a short-term fix until the high school project is complete and the building grade alignment is completed. The impact on students if they were temporarily displaced or bussed was taken into account with the recommendation

and was discussed by the Committee. The Committee supported the administrative recommendation to the December 9 Board meeting.

Mrs. Curry discussed a resolution that would limit the tax increase to the Act 1 Index and the movement student to Washington Elementary.

Mikaela Cave talked about her experience of being redistricted to another school as scary and asked the Committee to consider the students in their decision to transfer students.

Announcements:

December 2, 2014 Board of School Directors	Ed Center	7:00 p.m.
December 2, 2014 Facilities Committee	Board Room	7:30 p.m.
December 9, 2014 Personnel Committee	Jr. High West	6:00 p.m.
December 9, 2014 Board of School Directors	Jr. High West	7:00 p.m.
December 16, 2014 Finance Committee	Board Room	6:30 p.m.
January 6, 2015 Finance Committee	Board Room	6:30 p.m.
January 13, 2015 Policy Review Committee	Conf. Room A	6:00 p.m.
January 13, 2015 Board of School Directors	Board Room	7:00 p.m.

The meeting was adjourned at 8:25 p.m.