

## **BUDGET AND FINANCE COMMITTEE MEETING MINUTES**

### **WELLSBORO AREA SCHOOL DISTRICT**

**May 28, 2014**

**12:02 PM**

**Administration Conference Room**

Start Time: 12:02 p.m.

#### Call to Order

The Budget and Finance Committee Meeting was called to order by Superintendent Chris Morral at 12:02 p.m. in the Conference Room of the Administration Building.

#### Present

The following were present: Steve Adams, Elementary School Principal; Lana Shabloski, Board Member and Committee Member; Rob Kreger, Assistant High School Principal; Wayne Hackett, Board Member; Ben Largey, School Psychologist; Pat Hewitt, Director of Curriculum and Instruction/Federal Programs Coordinator; Bryan Murphy, Network Administrator/Computer Technician; Amy Repard, Director of Special Education; Chris Morral, Superintendent; and Marcia Newcomb, Business Manager.

#### Committee/Member/Administration Issues or Discussion Topics

Mr. Morral provided an update to the Commonwealth's revenue collections and projections for the current fiscal year. He reported that April revenue numbers, which were \$ 328 million below expectations, bringing the total deficit to \$ 425 million for the year. It is projected that the total deficit for the 2013-14 fiscal year will reach \$ 600 million. The General Assembly began preliminary budget discussions in mid-May, but there still has been no introduction of a budget bill and formal budget negotiations have yet to begin.

Marcia Newcomb presented the current status of the 2014-15 General Fund Budget and revisions that have been made since the prior committee meeting.

Presently, the 2014-15 General Fund Budget contains projected revenues totaling \$ 23,860,388 and expenditures of \$ 23,986,249.

The following adjustments have been made to the 2014-15 Budget since the prior meeting of the Budget Committee:

#### Revenues:

- 1) Local Taxes – RE Transfer Tax and Delinquent Real Estate Tax collections were adjusted to reflect updated current year collections.
- 2) IDEA Pass Thru Funds were adjusted to the confirmed allocation amount of \$ 294,117
- 3) State reimbursement for social security and retirement expenses were increased \$ 1,385 to reflect changes made to payroll expense, see below.
- 4) Federal Revenues decreased 8.6% or \$ 57,910 from April's projections, due to the district receiving confirmation of its 2014-15 Title I programs and Perkins allocations in early May.

Title I – Improving Basic Programs allocation decreased 8.4% or \$ 35,507; Title I Delinquent and Title I Neglected funding decreased \$ 12,328; and Perkins Secondary Allocation decreased

\$ 2,462. Title II Part A's allocation will not be released until late August 2014, however, the budgeted revenue has been decreased 10% or \$ 7,613 due to the noted decreases to the district's other Federal Programs for next year.

The Title I program under No Child Left Behind provides funds to local school districts to improve the education of students at risk of failing reading from Kindergarten through 12<sup>th</sup> grade. Title I Grant allocations to Wellsboro SD are determined by using the Census Poor Formula which provides more money per child as the district's poverty rate increases or vice versa, less money per child as the poverty rate decreases. The funding for 2014-15 is based on the 2011-12 fiscal year census poverty data, which reported a decrease of 3.3% from the previous year's report. The decrease to the poverty level is due to the improvement to our local economy at that time.

Expenditures:

- 1) Buildings and Grounds – telecommunications projected costs were decreased by \$ 5,000 due to switching our long distance provider to Frontier and by changing our internal phone system and restructuring the services we receive from Frontier.
- 2) Federal Programs expenses were decreased as a result of the decrease to funding noted above, however, Title I instructional services will remain at current year levels.
- 3) Payroll – adjustments totaling \$ 8,998 were made in the following areas:
  - a. Extra-Curricular – reduced by the cost of one mentor, \$ 1,651
  - b. Support Staff – adjusted wages for replacement of custodial and teacher's aide personnel who have retired or were terminated and added the cost of retirement benefits for employee retiring during 2014-15,
  - c. Added the cost for professional staff members who obtained Master's Degree and additional credits.

The Committee was provided with a report which detailed the calculation of the value of one mill of tax for 2014-15. At this time, the projected value of one mill of tax for 2014-15 is \$ 600,783.

The Committee received a draft of the Homestead and Farmstead Exclusion Resolution applicable to the 2014-15 fiscal year. The Homestead and Farmstead Exclusion (real estate assessed value reduction) is projected to be \$ 7,057 for Tioga County and \$ 9,025 for Lycoming County.

Committee members reviewed and discussed at length the next four year's budget projections using the district's Budget Planning Model.

There being no further business to come before the Budget and Finance Committee, the meeting was adjourned at 12:48 p.m.

Respectfully submitted,  
Marcia Newcomb  
Business Manager