

BUDGET & FINANCE COMMITTEE MEETING**MINUTES****WELLSBORO AREA SCHOOL DISTRICT****March 31, 2016 6:00 PM Old Music Room, Administration Office**

Start Time: 6:00PM

Present

Bonnie Thompson, Business Manager; Pat Hewitt, Acting Superintendent; Matt Feil, Committee Chairperson and Board Member; Tim McCratic via speaker phone, Committee Member and Board Member; Duane Cotner, Board Member; Sue Judlin, Board Member; Amy Repard, Director of Special Education; Steve Adams, Elementary School Principal; Rob Kreger, High School Principal; Mike Pietropola, Middle School Principal; Daren Bryant, Buildings & Grounds; Bryan Murphy, Network Administrator; Diane Eaton, Sun Gazette, Reporter; Tammy Knowlton

Committee Chairperson, Matt Feil, opened the meeting at 6:00 pm and then turn the meeting over to Bonnie Thompson, Business Manager. Mrs. Thompson stated the amount of expenditures \$25,327,074 and the amount of revenues \$24,638,311 leaving a shortfall of \$688,763. However, with the following listed reductions, the shortfall as of today is \$200,441 with using \$488,322 from Committed Retirement reserves to pay for increase in PSERS.

State Budget Update-

Mrs. Thompson stated the Governor is withholding his signature from 2015-16 State Budget and letting the bill become law. The state budget bill became law March 27th. However, the state has not passed a fiscal code and therefore, we do not know the amount we are receiving from the state. Basic Education Funding is to be released to school district in two weeks. In the absence of a fiscal code bill to dictate the distribution of new BEF dollars, there is a lot of confusion about what will happen and how much districts will get in excess of their 2014-15 BEF dollars. While the fiscal code directed the new dollars to be distributed via the new basic education funding formula, the governor sent out a portion of the new BEF dollars in January using a restoration formula. There is also a hybrid formula on the table, and in the absence of clear instructions, it's not sure what the distribution will be.

The fiscal code bill also included language authorizing a PlanCon borrowing proposal. With an expected veto of the entire fiscal code, the PlanCon language, and the borrowing proposal, which was intended to ensure that districts owed PlanCon reimbursement in 2015-16 would get their state dollars in this fiscal year is still up in the air.

There is no news on the 2016-17 State Budget.

Review of Revenues-

- Added Homestead/Farmstead (State Homestead/Farmstead Property Tax Relief) based on last year's funding of \$378,522.
- Change in Social Security/Retirement Reimbursement due to salary changes

Review of Expenditures-

As requested in the previous budget meeting, a 2% reduction in the following budgets is reflected for this meeting:

- Charlotte Lappla/Don Gill Elementary School – (\$2488)
 - Rock L Butler Middle School – (\$2418)
 - High School – (\$3502)
 - Business Office – (\$3500)
 - Supt Office – (\$309)
 - Online Academy – (\$780)
 - Curriculum - (\$400)
- District Expenses –Took 2% from Inservice (\$200)-other amounts on this are contractual, but increased PA Electronic Teacher Evaluation Portal amount from \$3100 to \$5119

Other changes (reductions/additions):

- Reduction of Supt Salary (\$23978 & Benefits \$9622 = \$33,600)
- Reduction from 8% to 1% overall for health insurance & life insurance payment reduction – (\$190,474)
- Reduction Building & Grounds- purchase price of truck (\$13,000)
- Technology due to RWAN price reduction (contract on for board approval) and conference removal (\$18,447)
- Addition of \$20,000 for transportation costs due to fall sports being played away
- Special Ed has already cut as low as possible

Areas where no 2% reduction due to contractual costs:

Payroll, Debt service, Insurance, Transportation, Tax Collection

Discussion/Suggestions for other cost savings-

The committee requested information on the following items in the budget for our next meeting: Flu shots, Penn College rental contract, PSBA membership, board travel, Source 4 Teacher, and number of enrollments handled by Central Registration/Child Accounting position.

Next Meeting – April 28, 2016