

Finance Committee Meeting Minutes

**October 18, 2016
TEAO Room 200
7:00 P.M.**

Attending all or part of the meeting:

Board Committee Members: Virginia Lastner, Chair, Kevin Buraks, Todd Kantorczyk, Roberta Hotinski

Other Board Members: Douglas Carlson, Rev. Scott Dorsey, Edward Sweeney, Kate Murphy, Michele Burger

T/E School District Representatives: Dr. Rich Gusick, Dr. Andrea Chipego, Jeanne Pocalyko, Art McDonnell, David Francella, Mark Cataldi, Dr. Mike Szymendera, Dr. Wendy Towle, Marianne Cleary

Other: Michael Wolf, Boenning & Scattergood

Community Members: Douglas Anestad, Paul Poiesz, Lilliane Min, Wendy DeMarco, Mary Williams, Christine Wright, Jerry Henige, Ray Clarke, Paul Eisenberg, Jamie Lynch

Approval of Minutes:

- The Committee approved the minutes of the September 20, 2016 meeting.

Monthly/Year to Date Financial Report – September 2016:

- The Committee reviewed the Treasurer's report for September 2016. Mr. Francella reported that revenue reported is trending above last year as this same period due to real estate tax collections and earlier state subsidy payments. Expenditures are ahead of last year due to timing of payments in comparison.

Advance Refunding of 2010 Bonds:

- Michael Wolf, of Boenning & Scattergood, reviewed the advantages for the District to perform an advance refunding of the eligible portion of the Series of 2010 Bonds. Interest rates have fallen to a 60-year low and the net present value of the total debt service savings is currently about \$1.1M. The Committee reviewed that process of refunding, the opinion of bond counsel, the underwriter's fee, and specified parameters for the advance refunding.
- Mr. Wolf will attend the October Board Meeting to present the identified parameters in a Board Resolution for consideration.

Capital Funding/Fund Balance:

- Mr. McDonnell reviewed the District's long-standing capital funding plan that has included a combination of transfers from the General Fund from committed fund balances and bond proceeds. The capital expenditures plan use the infrastructure report as the basis of long-term planning reported on Capital Sources and Uses report. The Facilities Committee is currently reviewing the infrastructure report for the next summer's projects.

Finance Committee Meeting Minutes

- The Committee discussed the concept of budgeting funds to the capital plan through a combination of fund balance commitments and transfers included in the annual operating budget. The Committee discussed ways to achieve past funding levels of the long-term capital plan at a goal of 25% fund balance commitments and 75% bond proceeds for five years of the capital plan. The Committee plans to revisit this topic and a specific funding goal amount during 2017-18 budget discussions.

Other:

- Mrs. Cleary reviewed the feedback she received from neighboring school districts regarding the bus driver children ride along reporting no real issues. She stated that the National Transportation Safety Board commented that we were putting ourselves at a competitive disadvantage with neighboring districts that allow the practice. Mr. McDonnell reviewed the feedback from the contractor stating they have not had issues with other districts that agreed to this practice. The local and national shortage of bus drivers and its effect on TE was discussed. The Committee supported the idea to allow bus driver children ride along with certain parameters during the trial period of age minimum of three, TE rider preference, adequate insurance coverage, and health of the child riding. The parameters would be included in a contract addendum presented at the upcoming Board meeting for consideration.
- Mrs. Pocalyko reviewed the District's substitute pay rates and how they compare to other districts in the county. The current budget was increased by \$100,000 in anticipation of increasing the nine year-old daily pay rate to be more competitive. The Committee recommended increasing the daily rate to \$115, with an increase to \$125 after working in the district for 36 days. This recommendation will appear on Monday's Board Meeting agenda.

Public Comment:

- Doug Anestad commented on the advance refunding of bonds and capital funding.
- Jerry Henige commented on capital funding.
- Lilliane Min commented on substitute pay rates.
- Ray Clarke commented on advance refunding of bonds and capital funding.

Adjournment:

- The meeting adjourned at approximately 10:12 P.M.

Next Meeting:

The next meeting is Tuesday, November 22, 2016.